

# **Metro**

*Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
3rd Floor Board Room*



**Metro**

## **Agenda - Final**

**Thursday, February 25, 2016**

**9:00 AM**

**One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room**

### **Board of Directors**

*Mark Ridley-Thomas, Chair*

*John Fasana, 1st Vice Chair*

*Eric Garcetti, 2nd Vice Chair*

*Michael Antonovich*

*Mike Bonin*

*James Butts*

*Diane DuBois*

*Jacquelyn Dupont-Walker*

*Don Knabe*

*Paul Krekorian*

*Sheila Kuehl*

*Ara Najarian*

*Hilda Solis*

*Carrie Bowen, non-voting member*

*Phillip A. Washington, Chief Executive Officer*

## **METROPOLITAN TRANSPORTATION AUTHORITY BOARD RULES (ALSO APPLIES TO BOARD COMMITTEES)**

### **PUBLIC INPUT**

A member of the public may address the Board on agenda items, before or during the Board or Committee's consideration of the item for one (1) minute per item, or at the discretion of the Chair. A request to address the Board should be submitted in person at the meeting to the Board Secretary. Individuals requesting to speak on more than three (3) agenda items will be allowed to speak up to a maximum of three (3) minutes per meeting. For individuals requiring translation service, time allowed will be doubled.

The public may also address the Board on non-agenda items within the subject matter jurisdiction of the Board during the public comment period, which will be held at the beginning and/or end of each meeting. Each person will be allowed to speak for up to three (3) minutes per meeting and may speak no more than once during the Public Comment period. Speakers will be called according to the order in which the speaker request forms are received. Elected officials, not their staff or deputies, may be called out of order and prior to the Board's consideration of the relevant item.

In accordance with State Law (Brown Act), all matters to be acted on by the MTA Board must be posted at least 72 hours prior to the Board meeting. In case of emergency, or when a subject matter arises subsequent to the posting of the agenda, upon making certain findings, the Board may act on an item that is not on the posted agenda.

**CONDUCT IN THE BOARD ROOM** - The following rules pertain to conduct at Metropolitan Transportation Authority meetings:

**REMOVAL FROM THE BOARD ROOM** The Chair shall order removed from the Board Room any person who commits the following acts with respect to any meeting of the MTA Board:

- a. Disorderly behavior toward the Board or any member of the staff thereof, tending to interrupt the due and orderly course of said meeting.
- b. A breach of the peace, boisterous conduct or violent disturbance, tending to interrupt the due and orderly course of said meeting.
- c. Disobedience of any lawful order of the Chair, which shall include an order to be seated or to refrain from addressing the Board; and
- d. Any other unlawful interference with the due and orderly course of said meeting.

### **INFORMATION RELATING TO AGENDAS AND ACTIONS OF THE BOARD**

Agendas for the Regular MTA Board meetings are prepared by the Board Secretary and are available prior to the meeting in the MTA Records Management Department and on the Internet. Every meeting of the MTA Board of Directors is recorded on CD's and as MP3's and can be made available for a nominal charge.

### **DISCLOSURE OF CONTRIBUTIONS**

The State Political Reform Act (Government Code Section 84308) requires that a party to a proceeding before an agency involving a license, permit, or other entitlement for use, including all contracts (other than competitively bid, labor, or personal employment contracts), shall disclose on the record of the proceeding any contributions in an amount of more than \$250 made within the preceding 12 months by the party, or his or her agent, to any officer of the agency, additionally PUC Code Sec. 130051.20 requires that no member accept a contribution of over ten dollars (\$10) in value or amount from a construction company, engineering firm, consultant, legal firm, or any company, vendor, or business entity that has contracted with the authority in the preceding four years. Persons required to make this disclosure shall do so by filling out a "Disclosure of Contribution" form which is available at the LACMTA Board and Committee Meetings. Failure to comply with this requirement may result in the assessment of civil or criminal penalties.

### **ADA REQUIREMENTS**

Upon request, sign language interpretation, materials in alternative formats and other accommodations are available to the public for MTA-sponsored meetings and events. All requests for reasonable accommodations must be made at least three working days (72 hours) in advance of the scheduled meeting date. Please telephone (213) 922-4600 between 8 a.m. and 5 p.m., Monday through Friday. Our TDD line is (800) 252-9040.

### **LIMITED ENGLISH PROFICIENCY**

A Spanish language interpreter is available at all Board Meetings. Interpreters for Committee meetings and all other languages must be requested 72 hours in advance of the meeting by calling (213) 922-4600 or (323) 466-3876.

### **HELPFUL PHONE NUMBERS**

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Internet Access to Agendas - [www.metro.net](http://www.metro.net)  
TDD line (800) 252-9040

**NOTE: ACTION MAY BE TAKEN ON ANY ITEM IDENTIFIED ON THE AGENDA**

**CALL TO ORDER****ROLL CALL**

1. APPROVE Consent Calendar Items: 2, 18, 19, 20, 21, 24, 26, 35, 41, 42, 43, 44, 45, 46, 53, 54 and 57.

Consent Calendar items are approved by one motion unless held by a Director for discussion and/or separate action.

**CONSENT CALENDAR**

2. APPROVE **Minutes of the Regular Board Meeting held January 28, 2016** [2016-0093](#)

**Attachments:** [MINUTES - January 28, 2016 Regular Board Meeting](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):**

18. APPROVE: [2016-0087](#)

A. **Metro funding priorities for recommendation to the California Transportation Commission for the prioritization of projects for funding in the 2016 STIP (Attachment A); and**

B. **Resubmittal of the 2016 Regional Transportation Improvement Program (RTIP) for Los Angeles County as adopted by the Metro Board in December 2015 (Attachment B).**

**Attachments:** [Attachment A - FY2016 STIP Allocation Priorities](#)  
[Attachment B - 2016 RTIP for Los Angeles County and ITIP Projects](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):**

19. AUTHORIZE the Chief Executive Officer to approve the **development of project applications for grant funds from California's Cap-and-Trade Program's Greenhouse Gas Reduction Fund (GGRF) through the Transit and Intercity Rail Capital Program (TIRCP).** [2015-1712](#)

**Attachments:** [Attachment A - Proposed Metro TIRCP Projects Decision Matrix.pdf](#)  
[Attachment B - Disadvantaged Communities Map.pdf](#)  
[Attachment C - Amendment to Item No. 28 by Director Butts, October 22, 2015.](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):**

20. CONSIDER: [2015-1710](#)

- A. RECEIVING AND FILING the **Final Statewide and Southern California Association of Government's (SCAG) recommended Active Transportation Program (ATP) Cycle 2 Results Summary for Los Angeles County** (Attachment A);
- B. APPROVING proposed 2016 ATP Grant Assistance Policy (Attachment B); and
- C. AUTHORIZING the CEO to reprogram Call for Projects commitments with reduced amounts to reflect ATP partial awards (Attachment C).

**Attachments:**     [Attachment A - ATP Cycle 2 Results for Los Angeles County.pdf](#)  
[Attachment B - 2016 ATP Grant Assistance Policy.pdf](#)  
[Attachment C - Reprogrammed Call for Projects Commitments.pdf](#)  
[Attachment D - ATP Cycle 3 Projects Evaluation.pdf](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):**

21. AUTHORIZE the Chief Executive Officer (CEO) or designee to execute an agreement with the **State of California for Active Transportation Program (ATP) grant funds for the Metro Blue Line First/Last Mile Plan.** [2016-0047](#)

**Attachments:**     [Attachment A - Resolution.pdf](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):****24. AUTHORIZE:** [2016-0025](#)

- A. the Chief Executive Officer (CEO) to execute a five-year (5-year) **Lease Agreement, including an option to extend the term for three (3) additional five-year periods, with Beyond Food Mart, Inc. (Beyond) for the operation of a retail business at the El Monte Transit Center** at an average first year annual lease rate of \$1.63/square foot or approximately \$51,000; and
- B. the new net revenue generated to be applied to the Risk Allocation Matrix savings.

**Attachments:**      [Attachment A - Preliminary Space Plan.pdf](#)  
[Attachment B - Summary of Lease Agreement Key Terms.pdf](#)

**PLANNING AND PROGRAMMING COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):****26. AUTHORIZE the Chief Executive Officer (CEO) to execute a **twenty-five (25) year license agreement (License) with the City of Pasadena (City) allowing the City to use that portion of the Metro property situated between Green Street and Holly Street in Old Pasadena and lying above the Metro Gold Line's subterranean improvements, as depicted on Attachment A (License Property), for pedestrian, bicycling use and other purposes consistent with these uses.**** [2016-0007](#)

**Attachments:**      [Attachment A - Plat of the License Property - Old Pasadena Right-of-Way.pdf](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (3-0):****35. APPROVE nominees for membership on Metro's Gateway Cities Service Council.** [2015-1784](#)

**Attachments:**      [Attachment A - Biographies](#)  
[Attachment B - Nomination Letter 2-18-16](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

41. AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 4 to Contract No. OP33672974, with **Nationwide Environmental Services Inc., for power sweeping services**, to exercise the first one-year option in the amount of \$1,424,850 increasing the total contract value from \$4,275,582 to \$5,700,432 and extending the contract term from June 1, 2016 to May 31, 2017. [2015-1789](#)

**Attachments:**      [Attachment A - Procurement Summary](#)  
[Attachment B - Contract Modification Change Order Log](#)  
[Attachment C - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

42. AUTHORIZE the Chief Executive Officer to execute Modification: [2015-1793](#)
- A. No. 1 to Contract No. OP3635700 with **Parkwood Landscape Maintenance Inc. (Parkwood) for graffiti abatement and trash and vegetation removal services for Region 2 - Metro Gold Line extension**, in the not-to-exceed amount of \$2, 270,905, increasing the base contract value from \$12,599,235 to \$14,870,140.
- B. No. 1 to Contract No. OP3569500 with **Woods Maintenance Services, Inc. (Woods) for graffiti abatement and trash and vegetation removal services for Region 3 - Metro Expo Line extension**, in the not-to-exceed amount of \$3,551,658 increasing the base contract value from \$16,863,892 to \$20,415,550.

**Attachments:**      [Attachment A - Procurement Summary](#)  
[Attachment B - Contract Mod](#)  
[Attachment C - DEOD Summary](#)  
[Attachment D - Map Region 2](#)  
[Attachment E - Map Region 3](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

43. AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP4056400OP for **Fence Repair and Installation Services for Metro Rail Rights-of-Way, Facilities and Parcel Properties with APW Construction Inc, DBA Ace Fence Co.**, for a not-to-exceed amount of \$1,000,800, for the three-year base period effective April 1, 2016 through March 31, 2019, plus \$343,200 for the first option year, and \$352,800 for the second option year, for a combined total of \$1,696,800. [2015-1778](#)
- Attachments:     [Attachment A - Procurement Summary](#)  
                          [Attachment B - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

44. AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit rate contract, PS4269500 to **ISOTECH Pest Management for bus pest control services** in an amount not-to-exceed \$4,961,610, effective April 1, 2016 through March 31, 2021. [2016-0009](#)
- Attachments:     [Attachment A - Procurement Summary](#)  
                          [Attachment B - DEOD Summary](#)

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

45. AUTHORIZE the Chief Executive Officer to establish life-of-project budgets for the **Bus Midlife Program CP# 203036** in the amount of \$68,669,900; and the **Central Maintenance Bus Engine Replacement Program CP# 203035** in the amount of \$24,690,300. [2016-0010](#)
- Attachments:     [Attachment A - Midlife and Engine Replacement Programs](#)

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-0):**

46. AUTHORIZE: [2016-0041](#)

- A. the Chief Executive Officer to award Contract No. PS4497500 to **SmartDrive Systems Inc. in the amount not-to-exceed \$16,556,545 to provide Incident Based Surveillance System (IBSS) services on Metro's bus and rail fleet from April 1, 2016 to March 31, 2021;** and
- B. the amendment of the FY16 operating budget by \$660,000 upon authorization of the SmartDrive contract; and
- C. the amendment of the FY16 Adopted Budget to add 2 represented full time equivalents (FTE's).

**Attachments:**     [Attachment A - Procurement Summary](#)  
                              [Attachment B - DEOD Summary](#)

**EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (4-1) AND (5-0) RESPECTIVELY:**

53. ADOPT staff recommended positions: [2016-0118](#)

- A. **AB 1591 (Frazier) - Transportation Funding SUPPORT**
- B. **AB 620 (Hernandez) - Metro ExpressLanes NEUTRAL**

**Attachments:**     [AB 1591 Frazier Attachment A](#)  
                              [Attachment B - AB 620 ExpressLanes](#)

**EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION (6-0):**

54. AUTHORIZE the Chief Executive Officer to execute Modification No. 4 to [2015-1790](#)

Contract No. PS62502297 with **ComPsych Corporation (ComPsych) to provide Employee Assistance Program (EAP) services** in the amount of \$44,386, thereby increasing the contract value from \$1,076,400 to \$1,120,786. This Contract Modification will also extend the period of performance for up to 3 months from April 1, 2016 to June 30, 2016.

**Attachments:**     [Attachment A - Procurement Summary](#)  
                              [Attachment B - Contract Modification Change Log.docx](#)  
                              [Attachment C - DEOD Summary](#)



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**EXECUTIVE MANAGEMENT COMMITTEE MADE THE FOLLOWING RECOMMENDATION UNDER RECONSIDERATION (6-0):**

57. APPROVE Motion by Directors Garcetti, Kuehl, Ridley-Thomas, Fasana, Solis and Bonin that the Board of Directors direct the Chief Executive Officer to:

[2016-0157](#)

A. INCLUDE the following elements in Metro's Annual Energy and Resource Report, related to **Air Quality, Emission Reductions and Resiliency efforts**:

1. Efforts to reduce nitrogen oxide (NOx) emissions since the approval of Measure R, with a goal of 80% NOx emissions reduction by 2025, using 2008 as a base year.
2. An update on the progress of the Metro June 2012 Climate Action and Adaptation Plan and recommendations on how to achieve carbon emission reductions by 2025, 2035 and 2050.
3. Efforts to reduce vehicle miles traveled ("VMT") per capita in Los Angeles County, including proposed reduction targets.
4. Methods and recommendations to increase agency infrastructure resiliency and reduce environmental liabilities, especially those related to hazardous waste, as well as increase fuel efficiency, and use of energy efficient lighting, propulsion and auxiliary systems.
5. Efforts and recommendations to reduce emissions on Metro's vanpool program fleet.

FURTHER MOVE that the Board of Directors direct the Chief Executive Officer to report back to the Metro Board with an interim report on the above in May 2016 and a full report in August 2016 on the following:

B. An expansion of Metro's Green Construction Policy to make the following improvements related to **Water Conservation & Green Infrastructure**:

1. A requirement that all Metro future construction projects (that are currently not out to bid) implement methods to capture and treat storm water and apply reclaimed water best practices.
2. A requirement that all future design and construction projects (\$5 million and over) use sustainable building materials which includes, but not limited to, the following, where feasible:

- a. Storm water & discharge runoff capture and cleaning devices
  - b. Permeable pavement and surfaces
  - c. Low carbon-intensity materials
  - d. Recycled & local materials
  - e. Light colored pavement & native shade trees
3. A requirement that all future highway and transit projects include a project-specific Sustainability Coordinator to oversee all resiliency and long-term sustainability-related requirements for the project realizing that proper maintenance is essential to realizing the full life-cycle benefit of sustainable infrastructure and to assist the agency's Sustainability Officer in achieving Metro's sustainability metrics.
  4. A plan to significantly increase the number, size, and scope of projects in Metro's Urban Greening Implementation Action Plan.
- C. Strategies to improve connectivity & enhance **"First-and-Last Mile" connections to our transit system**, including:
1. A schedule for expanding the existing car-share pilot program to at least ten additional park and ride Metro-owned lots and/or major transit hubs in the system.
  2. An inventory of potential Metro-owned parcels that could be used to expand opportunities for active transportation links and/or "First-and-Last Mile" applications (e.g. Mobility Hubs).
  3. A requirement, when feasible, that all future Metro-owned transit stations consider, for connectivity and ridership purposes, incorporate the following elements into their designs:
    - a. Walking paths
    - b. Bike routes
    - c. Accessibility to local neighborhoods (i.e. half-mile radius).
    - d. River & bicycle waterways (where applicable)
  4. As part of Metro's Active Transportation Strategic Plan, strive to create a Regional Active Transportation Network, in coordination with local municipalities. As an initial step, Metro should coordinate with local agencies to assess opportunities to include right of ways (utility corridors, flood channels and other corridors) in this Regional Active Transportation Network to allow for preservation and best use and outline next steps towards implementing this network. Metro should also make recommendations on establishing a matching funding program to support the delivery of local first-last mile capital projects that support countywide transit ridership, and

regional Active Transportation network connections.

- D. Report back on the following strategies to better **deploy technology and promote green jobs**:
1. An assessment of any necessary positions focused on technological efficiencies and improvements that would be critical to supporting Metro's sustainability efforts.
  2. Alternative renewable energy generation technology that could be used for future bus, vehicle, rail and maintenance structures.
  3. Partnership and funding opportunities, including an incentive program, to maximize the use of zero or near zero emission technologies in future transit and goods movement corridors.
- E. An overview of the Environmental Compliance and Sustainability Department's agency-wide effort to ensure coordination in planning and implementing sustainability initiatives, including recommended metrics to measure challenges and successes. This includes partnering and soliciting input from non-profits and other stakeholders to ensure public participation.

NON-CONSENT

3. Report by the **Chair**. [2016-0172](#)
4. Report by the **Chief Executive Officer**. [2016-0173](#)
60. RECEIVE oral report on **Los Angeles World Airports** from Executive Director, Deborah Flint. [2015-1663](#)

**PLANNING AND PROGRAMMING COMMITTEE FORWARDED WITHOUT RECOMMENDATION DUE TO ABSENCES AND CONFLICTS THE FOLLOWING:**

22. AUTHORIZE the Chief Executive Officer to: [2016-0053](#)
- A. Execute Modification No. 9 (within the existing LOP budget) to Task Order No. 01 under Contract PS2415-3024-02, with **HNTB Corporation (HNTB) for the Bob Hope Airport/Hollywood Way Metrolink Station Project** (Project) for additional engineering and to authorize design support during construction (DSDC), in the amount of \$199,457, increasing the contract value from \$1,210,562 to \$1,410,019; and
- B. Increase Contract Modification Authority (CMA) specific to Task Order No. PS2415-3024-02-01, Bob Hope Airport/Hollywood Way Metrolink Station Project, in the amount of \$200,000, increasing the total authorized CMA amount from \$450,000 to \$650,000.

**Attachments:**      [Attachment A - Procurement Summary](#)  
                                 [Attachment B - Contract Modification/Change Order Log](#)  
                                 [Attachment C](#)

**PLANNING AND PROGRAMMING COMMITTEE FORWARDED WITHOUT RECOMMENDATION DUE TO ABSENCES AND CONFLICTS THE FOLLOWING:****23. CONSIDER:**[2016-0062](#)

A. AUTHORIZING the Chief Executive Officer (CEO) to award an eighteen-month firm fixed price contract, Contract No. AE439330011938 (RFP No. AE11938), to **Ted Tokio Tanaka Architects in the amount of \$1,793,023 to perform design services and construction support for the 1st and Central Station Improvement Project**; and

B. APPROVING Contract Modification Authority specific to Contract No. AE439330011938 in the amount of \$268,954.

**Attachments:**      [Attachment A- AE11938 Procurement Summary 1.28.16](#)  
                             [Attachment B - Project Area Map.pdf](#)  
                             [Attachment C - DEOD Summary](#)

**PLANNING AND PROGRAMMING COMMITTEE FORWARDED WITHOUT RECOMMENDATION THE FOLLOWING:****25. APPROVE Alternative 2 of the Rosecrans/Marquardt Grade**[2016-0014](#)

**Separation** to advance into the Final Environmental Document. Alternative 2 is an overpass that realigns Rosecrans Avenue to the south over the Burlington North Santa Fe (BNSF) railroad right-of-way in the City of Santa Fe Springs.

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**PLANNING AND PROGRAMMING COMMITTEE FORWARDED WITHOUT RECOMMENDATION DUE TO ABSENCES AND CONFLICTS THE FOLLOWING:****32. CONSIDER:** [2016-0021](#)

- A. AUTHORIZING staff to begin the necessary steps to **advance the project delivery of the Westside Purple Line Extension Project - Section 3** (Century City to Westwood/VA Hospital) as part of a the larger package of the Shovel Ready Program of Projects which includes the advancement of other Measure R projects;
- B. AUTHORIZING the Chief Executive Officer (CEO) to execute Contract Modification No. 58 to Contract No. PS43502000 with **Parsons Brinckerhoff (PB) Inc. to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during solicitation processes, and design support services during construction for Section 3 of the Westside Purple Line Extension Project**, in an amount not to exceed \$28,085,033, increasing the total contract value from \$161,785,321 to \$189,870,354; and
- C. AMENDING the **Fiscal Year 2016 (FY16) Budget for the Westside Purple Line Extension Project - Section 3** by \$8,000,000.

**Attachments:**     [Attachment A- Operation Shovel Ready - Transit Projects](#)  
[Attachment B - Procurement Summary.pdf](#)  
[Attachment C - Contract Mod-Change Order Log.pdf](#)  
[Attachment D - DEOD Summary.pdf](#)

**32.1 APPROVE Motion by Knabe, DuBois and Garcetti that:** [2016-0175](#)

- A. Measure R funds in the amount of \$18 million be allocated for the purpose of pursuing Transit Oriented Communities (TOC) predevelopment and planning activities for the West Santa Ana Branch alignment and communities; and
- B. Metro Staff work with the Gateway Cities Council of Governments or the Eco-Rapid Transit JPA to implement this program.

33. AUTHORIZE Contract Modification No. 103 (a.k.a. Contract Change Order, CCO 103) by Caltrans for the **Segment 3 construction contract of the I-5 North Capacity Enhancements project from SR-134 to SR-118** under the Funding Agreement No. MOU.P0008355/8501 A/A6, in the amount of \$828,720.00 without an increase in the project budget or contract value. [2015-1718](#)
58. CONSIDER: [2015-1761](#)
- A. AUTHORIZING the Chief Executive Officer to **renew and/or replace the direct-pay letters of credit (“LOC”) and direct purchase revolving credit facility (“RCF”) for the Proposition A and Proposition C commercial paper/short-term borrowing programs** to be provided by the banks described below and finalize negotiations with the recommended banks and enter into reimbursement/credit agreements and related documents associated with such LOCs and RCF:
1. RENEWING AND INCREASING the stated amount of the LOC currently provided by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (“Sumitomo”) for a LOC commitment amount of \$125 million for a three-year term for the Proposition A commercial paper program at an estimated cost of \$2.706 million including legal fees and other related expenses;
  2. RENEWING the LOC currently provided by MUFG Union Bank, N.A. (“Union Bank”) for a LOC commitment amount of \$75 million for a three year term for the Proposition A commercial paper program at an estimated cost of \$1.714 million including legal fees and other related expenses;
  3. RENEWING the RCF currently provided by Wells Fargo Bank, National Association (“Wells Fargo”) for a commitment of \$75 million for a three year term for the Proposition C short-term borrowing program at an estimated cost of \$1.702 million including legal fees and other related expenses; and
  4. REPLACING the LOC currently being provided by State Street Bank and Trust Company (“State Street”) with respect to the Proposition C commercial paper program with a LOC to be provided by Bank of America, N.A. (“B of A”) for a LOC commitment amount of \$75 million for a three year term at an estimated cost of \$1.787 million including legal fees and other related expenses.
- B. If unable to reach agreement with one or more of the recommended

banks described above, AUTHORIZING the Chief Executive Officer to finalize negotiations with each successively ranked bank for LOCs and/or RCFs having three year terms and the estimated costs shown in Attachment A;

- C. ADOPTING a resolution with respect to the Proposition A commercial paper program that approves the selection of Sumitomo and Union Bank or such other banks selected by the Chief Executive Officer, forms of the reimbursement agreements, fee agreements and reimbursement notes in substantially similar form with those on file with the Board Secretary and that makes certain benefits findings in compliance with the Government Code, Attachment B; and
- D. ADOPTING a resolution with respect to the Proposition C commercial paper and short-term borrowing programs that approves the selection of B of A and Wells Fargo or such other banks selected by the Chief Executive Officer, forms of the reimbursement agreement, fee agreement, reimbursement note, revolving credit agreement, revolving obligation notes and supplemental subordinate trust agreement in substantially similar form with those on file with the Board Secretary and that makes certain benefits findings in compliance with the Government Code, Attachment C.

(REQUIRES SEPARATE, SIMPLE MAJORITY BOARD VOTE)

**Attachments:**      [Attachment A - Recommendation Summary](#)  
                                 [Attachment B - Authorizing Resolution Prop A](#)  
                                 [Attachment C - Authorizing Resolution Prop C](#)



**59. CONSIDER:** [2016-0097](#)

- A. APPROVE the staff recommendation to increase Life of Project (LOP) Budget by \$5,000,000 from \$2,773,879,593 to \$2,778,879,593 for the Westside Purple Line Extension Section 1 Project, No. 865518.
- B. AUTHORIZE the CEO to negotiate and execute Contract Modification No. 1 to Contract C1078, Clark Construction Group to incorporate design direction based on Alternative A1, to revise the Baseline design of the building floor plans and site plan, in an amount not-to-exceed \$4,500,000 increasing the total contract price from \$52,830,310 to \$57,330,310.
- C. AUTHORIZE the CEO to negotiate with the City to allow as-needed access through the MOW site for maintenance vehicles to service the electric and sewer vaults in the 6th Street Viaduct right of way.

**Attachments:**     [Attachment A - Alternative A1.pdf](#)  
                              [Attachment B - Alternative C1.pdf](#)  
                              [Attachment C - Baseline Design.pdf](#)  
                              [Attachment D - Alternative D.pdf](#)  
                              [Attachment E - Procurement Summary](#)  
                              [Attachment F - Contract Modification](#)  
                              [Attachment G - Measure R Cost Management Process and Policy Analysis](#)  
                              [Attachment H - DEOD Summary](#)

**61. APPROVE Motion by Krekorian, Kuehl and Antonovich** that the MTA Board instruct staff to investigate the steps necessary to create a conveniently located Customer Service center in the San Fernando Valley and report back on that and the timeline to do so. [2016-0174](#)**END OF NON-CONSENT ITEMS**

**62. CLOSED SESSION:**[2016-0176](#)Conference with Real Property Negotiator - G.C. 54956.8:

- A. Property Description: 42-mile easement within Metro right-of-way extending north from Taylor Yard in Los Angeles through Burbank and terminating in Lancaster  
Agency Negotiator: Thurman Hodges  
Negotiating Party: US Sprint Communications Company  
Under Negotiation: Price and Terms
  
- B. Property Description: 5630 Arbor Vitae Street, Los Angeles, CA 90045  
Agency Negotiator: Velma C. Marshall  
Negotiating Party: SoCal Partners 1  
Under Negotiation: Price and Terms
  
- C. Property Description: 6111 Wilshire Boulevard, Los Angeles, CA  
Agency Negotiator: Carol A. Chiodo  
Negotiating Party: B&H Education, Inc., a Delaware Corporation dba Marinello Schools of Beauty  
Under Negotiation: Price and Terms

Consideration of items not on the posted agenda, including: items to be presented and (if requested) referred to staff; items to be placed on the agenda for action at a future meeting of the Committee or Board; and/or items requiring immediate action because of an emergency situation or where the need to take immediate action came to the attention of the Committee subsequent to the posting of the agenda.

Adjournment



**Board Report**

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**File #:** 2016-0093, **File Type:** Minutes

**Agenda Number:** 2.

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**REGULAR BOARD MEETING  
FEBRUARY 25, 2016**

**SUBJECT: REGULAR BOARD MEETING MINUTES HELD JANUARY 28, 2016**

**APPROVE Minutes of the Regular Board Meeting held January 28, 2016**



# **MINUTES**

## **Regular Board Meeting**

**Thursday, January 28, 2016**

**9:00 AM**

**One Gateway Plaza, Los Angeles, CA 90012,  
3rd Floor, Metro Board Room**

### **Directors Present:**

Mark Ridley-Thomas, Chair

John Fasana, 1st Vice Chair

Eric Garcetti, 2<sup>nd</sup> Vice Chair

Michael Antonovich

Mike Bonin

James Butts

Diane DuBois

Jacquelyn Dupont-Walker\*

Don Knabe

Paul Krekorian

Sheila Kuehl

Ara Najarian

Shirley Choate, non-voting member

Phillip A. Washington, Chief Executive Officer

*\*Via Telephone: St. Louis Grand Marriott  
800 Washington Avenue  
St. Louis, MO 63101*

**CALLED TO ORDER AT 9:27 A.M.**

1. APPROVED Consent Calendar Items: 2, 7, 8, 12, 19, 20, 21, 22, 23, 24, 29, 30, 31, 32, 37, 38, 39, 40, 41, 43, 47, 48 and 57

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	A	Y	A	A	Y	Y	A	Y	Y

Consent Calendar items were approved by one motion except 19, 20 and 23 which were held by a Director for discussion and/or separate action.

2. APPROVED ON CONSENT CALENDAR **Minutes of the Regular Board 2015-1742 Meeting held December 3, 2015.**

3. Report by the **Chair. – NO REPORT.** **2016-0063**

4. RECEIVED Report by the **Chief Executive Officer.** **2016-0064**

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
P	P	A	P	A	P	A	A	P	P	A	P	P

7. APPROVED ON CONSENT CALENDAR proposed **Strategy for Affordable Housing Sustainable Communities Program**, including: **2015-1721**

- A. policy framework prompting local resolutions as a prerequisite for all partnership and support;
- B. authorization for staff to include Metro-specific components as described in individual project applications; and
- C. direct staff on various activities supporting capacity building and planning for AHSC competitiveness.

8. APPROVED ON CONSENT CALENDAR proposed **Urban Greening Implementation Action Plan.** **2015-1739**

DK = D. Knabe	MB = M. Bonin	JF = J. Fasana	DD = D. DuBois
PK = P. Krekorian	MA = M. Antonovich	JB = J. Butts	
JDW = J. Dupont-Walker	MRT = M. Ridley-Thomas	HS = H. Solis	
SK = S. Kuehl	EG = E. Garcetti	AN = A. Najarian	

**LEGEND: Y = YES, N = NO, C = HARD CONFLICT, S = SOFT CONFLICT ABS = ABSTAIN, A = ABSENT, P = PRESENT**

12. APPROVED ON CONSENT CALENDAR: 2015-1231

- A. ADOPTING the **Investment Policy**, Attachment B, including the addition of 2 new Investment options outlined in Attachment A;
- B. APPROVING the **Financial Institutions Resolution** authorizing financial institutions to honor signatures of LACMTA Officials, Attachment C; and
- C. DELEGATING to the Treasurer or his/her designees, the **authority to invest funds for a one year period**, pursuant to California Government Code Section 53607.

13. ADOPTED a resolution, Attachment A, that: 2015-1306

- A. AUTHORIZES the issuance of bonds by competitive sale to refund the **Prop A Series 2008-A1, Series 2008-A2, Series 2008-A3 and Series 2008-A4 Bonds** ("the 2008-A Bonds") in one or more transactions through August 31, 2016, consistent with the Debt Policy;
- B. APPROVES the **forms of Notice of Intention to Sell Bonds, Notice Inviting Bids, Supplemental Trust Agreement, Bonds, and Preliminary Official Statement**, all subject to modification as set forth in the resolution; and
- C. AUTHORIZES taking all action necessary to achieve the foregoing, including, without limitation, the further development and execution of bond documentation associated with the issuance of the bonds.

(REQUIRED SEPARATE, SIMPLE MAJORITY BOARD VOTE.)

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	A	Y	A	A	Y	Y	A	Y	Y

18. AUTHORIZED the Chief Executive Officer to execute a **thirty year (30-year) License Agreement with Clear Channel Outdoor ("CCO") for the installation and operation of a digital outdoor advertising structure at Division 11** located at 1011 Carson Street in Long Beach at a minimum annual lease rate of \$120,000. 2015-1626

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	A	Y	C	A	Y	A	A	Y	Y	A	Y	Y

19. APPROVED technical comments on the **Southern California Association of Governments' (SCAG) Draft 2016 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).** **2015-1730**

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	A	Y	A	A	Y	Y	A	Y	Y

20. APPROVED the **inclusion of \$350.0 million of Proposition C 25% funds (or other eligible funds as necessary) in the third decade of the Long Range Transportation Plan** for the San Fernando Valley, Arroyo Verdugo, and Gateway subregions as replacement project credits for Measure R 20% highway funds now programmed (instead of the originally planned Proposition C 25%) on three projects:

- A. the I-5 North Capacity Enhancement (SR-134 to SR-170);
- B. the I-5 South Capacity Enhancement (I-605 to Orange County Line); and
- C. the I-5 South Carmenita Road Interchange.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	A	Y	A	A	Y	Y	A	ABS	Y

21. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute Contract Modification No. 17 to **Contract No. PS4340-1939 for the I-710 South Corridor Project with URS Corporation (an AECOM Entity) to provide professional services for an additional four month period** in the not-to-exceed amount of \$3,729,598, increasing the total contract value from \$45,794,130 to \$49,523,728. **2015-1656**

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
			C				C					

22. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to: **2015-1692**

- A. EXECUTE Contract Modification No. 5 for **Contract No. PS2415-3268, Van Nuys North Platform Project, with RailPros Inc. (Rail Pros), in the amount of \$399,485 for Phase II bid support and additional engineering services**, increasing the contract value from \$3,176,169 to \$3,575,654;

(Continued on next page)

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B. INCREASE Contract Modification Authority (CMA) specific to Contract No. PS2415-3268, Van Nuys North Platform Project, in the amount of \$200,000, increasing the total CMA amount from \$288,750 to \$488,750; and

C. AMEND the FY16 annual budget by \$599,485 representing current year costs of the contract modifications requested above.

23. ADOPTED the **ExpressLanes Toll Policy** as shown in Attachment A. **2015-1735**

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	A	Y	Y	A	Y	A	A	Y	Y	Y	Y	Y

24. APPROVED ON CONSENT CALENDAR the **Metro ExpressLanes Round 2 Net Toll Revenue Grant Applications** (Attachments B and C). **2015-1733**

29. AUTHORIZED ON CONSENT CALENDAR Contract Modification No. 32 (a.k.a. Contract Change Order, CCO 32) by Caltrans for **Segment 3 construction contract of the I-5 North Capacity Enhancements project from SR-134 to SR-118** under the Funding Agreement No. MOU.P0008355/8501 A/A6, in the amount of \$2,100,000 without an increase in the project budget or contract value. **2015-1329**

30. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer (CEO) to execute Change Modification No. 3 to **Contract No. MC071, Westside Extension Support Team (West), to continue providing Construction Management Support Services (CMSS) through Fiscal Year 2017 for the Westside Purple Line Extension Section 1 Project**, in an amount not-to exceed \$23,413,832, increasing the total contract value from \$21,001,079 to \$44,414,911. **2015-1702**

31. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer to execute Contract Modification No. 5 to **Contract No. MC070, to Arcadis U.S., Inc., to continue providing Construction Management Support Services (CMSS) through June 30, 2017, for the Regional Connector Transit Corridor Project**, in the amount of \$18,494,981 increasing the total contract value from \$17,135,690 to \$35,630,671. **2015-1594**



32. APPROVED ON CONSENT CALENDAR: 2015-1759

- A. INCREASING the Life of Project budget for Project 809081, **Red Line Segment 2 Close-out** in the amount of \$336,697, increasing the previous authorization amount of \$31,510,403 to \$31,847,100;
- B. AMENDING the FY 16 budget to add \$187,500 to Project 809081, Red Line Segment 2 Close-out;
- C. INCREASING the Life of Project budget for Project 809082, Red Line Segment 3 Close-out in the amount of \$556,900, increasing the previous authorization amount of \$3,639,000 to \$4,195,900; and
- D. AMENDING the FY16 budget to add \$62,500 to Project 809082, Red Line Segment 3 Close-out.

37. APPROVED ON CONSENT CALENDAR: 2015-1157

- A. a \$19.9 million multi-year life-of-project budget for **Union Station Capital Improvements project for Fire-Life-Safety (FLS) and Americans with Disabilities Act (ADA) compliance** to acquire and install a back-up generator, to integrate safety, security and emergency lighting upgrades, to complete ADA retrofitting of Union Station West; and
- B. a Life-of-Project (LOP) budget for Los Angeles Union Station (LAUS) FLS/ADA compliance capital program improvements of \$19.9 million for the following:
  - 1. Emergency back-up generator and fire alarm system for \$10.3M
  - 2. Safety, security and emergency energy efficient lighting system for \$3.8M
  - 3. ADA compliance - ADA access retrofitting the historic Union Station for \$5.8M.

38. APPROVED ON CONSENT CALENDAR the FY16 budget amendment of \$42,900,000 for the **acceleration of FTA Section 5307 Federal Funding for FY16 to support the 900 Bus Acquisition** (project 201056). 2015-1699

39. AUTHORIZED ON CONSENT CALENDAR the Chief Executive Officer **2015-1314**  
to award a 24 month, firm fixed price **contract under Bid Number SD17491 to Cummins Pacific the lowest responsive and responsible bidder for the procurement of 289 Natural Gas Fueled Heavy Duty Engines** for an amount not to exceed \$13,211,635.
40. AUTHORIZED ON CONSENT CALENDAR the Chief Executive **2015-1696**  
Officer to award a three-year firm fixed unit rate **Contract No. OP4086600 for Uniform Rental Services with Prudential Overall Supply**, for a not-to-exceed amount of \$3,108,087.06 effective April 1, 2016 through March 31, 2019.
41. AWARDED ON CONSENT CALENDAR a not-to-exceed **Contract 2015-1316**  
**under Bid No. IFB MA17204 to Worthington Cylinder, the lowest responsive and responsible bidder, for the procurement for Indefinite Delivery, Indefinite Quantity for Compressed Natural Gas (CNG) fuel (cylinder) tanks** for an amount not-to-exceed \$1,462,181.00 inclusive of sales tax.
43. APPROVED ON CONSENT CALENDAR **Motion by Directors 2016-0066**  
**Kuehl, Garcetti, Ridley-Thomas, Dupont-Walker and Bonin** that the Chief Executive Officer:
- A. encourage Metro staff to volunteer for one of the Los Angeles County Homeless counting nights;
  - B. provide tap cards for volunteers to ride our vehicles;
  - C. encourage bus operators to share information with volunteers (locations where homeless are sleeping, bus schedules for next bus on that route, etc.);
  - D. insure that all Metro facilities (stations, platforms etc.) are made available to Homeless Count Volunteers;
  - E. instruct Metro staff to work with LAHSA staff to create a system for documenting homeless population sleeping on or in close proximity to bus benches, stops, stations, parking lots, etc; and
  - F. continue to work closely with LAHSA to make Metro resources available (TAP cards, etc.) for future Homeless Counts.

44. RECEIVED AND FILED report of the **Customer Experience Technology 2015-1783 Improvements.**

<b>DK</b>	<b>PK</b>	<b>JDW</b>	<b>SK</b>	<b>MB</b>	<b>MA</b>	<b>MRT</b>	<b>EG</b>	<b>JF</b>	<b>JB</b>	<b>HS</b>	<b>AN</b>	<b>DD</b>
P	P	A	P	P	A	P	P	P	P	A	P	P

44.1 APPROVED **Motion by Directors Garcetti, Solis, Bonin and Najarian** that the Board direct the CEO to:

- A. Prioritize and accelerate the **full** installation of cellular and Wi-Fi infrastructure and service in MTA tunnels, underground stations, and provide a status report on the execution of agreements with cellular service providers, with the goal of a system with no “dead zones” for cellular and internet users;
- B. begin the development of a next-generation Transit Access Pass (“TAP”) for customer payment of non-MTA services including but not limited to Metrolink, taxicabs, ride-hailing companies, bikeshare, parking garages, etc.;
- C. identify existing transit applications that do not use real-time MTA data and explore the feasibility of sharing real-time data to enhance the user experience;
- D. work with transit technology companies to develop connectivity and demand-response systems that integrate with MTA’s fixed-route transit lines to provide first-mile/last-mile connections in various modes;
- E. improve real-time arrival service information, including, but not limited to:
  - 1. Set a goal of repairing faulty displays within 24 hours of failure
  - 2. Ensure consistency between countdown clocks displays at each rail station
  - 3. Create true real-time feeds of bus and rail arrival times rather than the current practice of information feeds at set intervals.
  - 4. Work with Metrolink and Amtrak to install real-time arrival information at regional rail stations.
- F. work with county transit municipal operators to help improve bus speeds at key corridors where traffic signal priority technology exists.
- G. identify and utilize technology to better align arrivals and departures of different lines to streamline transfers.
- H. report back on all the above during the April 2016 MTA Board cycle.

<b>DK</b>	<b>PK</b>	<b>JDW</b>	<b>SK</b>	<b>MB</b>	<b>MA</b>	<b>MRT</b>	<b>EG</b>	<b>JF</b>	<b>JB</b>	<b>HS</b>	<b>AN</b>	<b>DD</b>
Y	Y	A	Y	Y	A	Y	Y	Y	Y	A	Y	Y

47. APPROVED ON CONSENT CALENDAR:

2015-1776

- A. ESTABLISHING **Internal Savings Account to capture cost savings and revenues generated from RAM**, including deposits from FY15 budget-to-actual savings and FY16 mid-year budget assessments;
- B. DIRECTING the CEO to **implement all RAM new initiatives and deposit all cost savings and new revenues generated into the Internal Savings Account**, as identified in Attachment B;
- C. DIRECTING the CEO to **return to the Board on those initiatives requiring policy changes or Board action before implementing each initiative**, as identified in Attachment B; and
- D. APPROVING **Internal Savings Account eligible priority uses and withdrawal criteria guidelines**, as identified in Attachment C. Quarterly updates and monitoring of the activities of the account will be provided to the Board.

AMENDMENT: CEO will have authority to withdraw funds for eligible uses in the priority order specified. Withdrawal of funds by the CEO will be allowed if within current Board-approved budget authority and in accordance with agency policies. Use of funds not specified as eligible will require  $\frac{3}{4}$  majority Board approval.

48. APPROVED ON CONSENT CALENDAR:

2015-1796

- A. AUTHORIZING the Chief Executive Officer to **negotiate salaries** within the pay range for the following positions:
  - 1. **Chief Planning Officer**, pay grade CC (\$222,476 - \$273,894 - \$325,353)
  - 2. **Executive Director, Vendor/Contract Management**, pay grade BB (\$166,462 - \$208,083 - \$249,704)
  - 3. **Deputy Executive Officer, Goods Movement**, pay grade H1T (\$147,388 - \$184,288 - \$221,166)
  - 4. **Executive Officer, Diversity and Economic Opportunity**, pay grade AA (\$156,832 - \$196,060 - \$235,227)
- B. APPROVING interim pay for the **Interim Chief Planning Officer**, retroactive to December 24, 2015.

(Continued on next page)

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C. AUTHORIZE the CEO to **negotiate salaries** within the pay range for all executive level positions that have been previously approved by the Board as amended to require Board notification.

57. AWARDED ON CONSENT CALENDAR the third, and final, **one-year** 2015-1799  
**option for year 2017 with Outfront Media’s revenue-generating bus and rail advertising contracts**; a \$24,000,000 fixed, guaranteed amount of revenue to be received from these agreements by Metro for calendar year 2017.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
	C											

58. APPROVED AS AMENDED BY ITEM 58.1 **Motion by Directors** 2016-0057  
**Ridley-Thomas, Butts, Fasana and Antonovich** that the Board of Directors direct the Chief Executive Officer to develop a **“Metro Line to Goal Line” Task Force** that is charged with identifying and addressing the variety of transit-related issues and opportunities associated with the imminent arrival of the Rams, and potentially the Chargers, to Los Angeles.

The Chief Executive Officer should report to the Executive Committee in February 2016 with an initial scope of work (to include but not be limited to the issues outlined above) as well as the proposed membership of the Task Force, and thereafter report bi-monthly with a progress report.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

- 58.1 APPROVED AS AMENDED **Motion by Directors Butts,** 2016-0070  
**Ridley-Thomas, Knabe, Fasana, Antonovich and Kuehl** that the Board of Directors Amend Item 58 to:

Instruct the Chief Executive Officer to expeditiously facilitate a Feasibility Study, followed by a Supplemental Environmental Impact Report (SEIR/SEIS) as deemed appropriate, for the Measure R South Bay Transit Corridor Rail Project focusing on an alignment extending from Florence Avenue in Inglewood to the City of Torrance, potentially along Prairie Avenue, as prescribed in Measure R. The cost for this work should come from Measure R Administrative funds; and

(Continued on next page)

(Item 58.1 – continued from previous page)

Instruct the Chief Executive Officer to ensure that this alignment is considered as part of the “South Bay Transit Corridor Rail Project” within the Long Range Transportation Plan Update.

**MAYOR BUTTS AMENDMENT** to amend this Motion to clarify that the purpose of the “Prairie Corridor” Feasibility study is to examine potential alternatives in and around the Prairie Corridor as it passes through the City of Inglewood and beyond to a “to-be-determined” terminus in the South Bay subregion and to include this examination in the context of tasks to be undertaken by the “Metro Line to Goal Line” Task Force” in their report back to this Board.

**SUPERVISOR KNABE AMENDMENT** that these actions are not to delay the Green Line Extension to the Torrance Transit Facility.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	Y	Y	Y	Y	Y	Y	A	Y	Y

**59. APPROVED UNDER RECONSIDERATION Motion by Directors 2016-0067**

**Bonin and Kuehl** that, upon completion of an environmental assessment, the CEO dedicate staff and resources to pursue re-use of the Division 6 Site through Metro’s Joint Development program. In doing so, Metro shall pro-actively engage with the Venice community in developing design guidelines for the Site and shall require the selected developer to create a community engagement plan that provides for ongoing community and economic benefits for the Venice community.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	Y	A	Y	Y	Y	Y	A	Y	Y

**60. WITHDRAWN: RECEIVE oral report on **Los Angeles World Airports** from Executive Director, Deborah Flint.**

61. APPROVED BY TWO-THIRDS VOTE:

2015-1559

A. ~~HOLDING a public hearing on the proposed rescission of Resolution of Necessity;~~

B. **RESCINDING Resolution of Necessity** authorizing the commencement of an eminent domain action to **acquire a subsurface easement and a grouting easement in Project Parcels RC-449 and RC-449-1** (Assessor Parcel No. 5161-017-009); consisting of the real property (hereinafter the "Property").

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	Y	Y	A	Y	A	A	Y	Y	A	Y	Y

62. RECEIVED AND FILED response to Motion #39 in September 2015 by Director Knabe on the **San Pedro Red Car Line.** 2015-1662

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	Y	Y	A	Y	A	A	Y	Y	A	Y	Y

62.1 APPROVED **Motion by Knabe** that the MTA Board direct the CEO and staff to follow through with the meeting described in the "Next Steps" section of the report, with the Port and others, and to maintain ongoing, periodic contact with the Port as to the location and status of the three Red Cars, the condition and status of the Red Car Line facilities (station, tracks, power supply system, maintenance facility, etc.) as well as the status of the Port's plans to address the findings of the 2009 Study on the Red Car Line, and provide the Board with quarterly status reports.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	Y	Y	A	Y	A	A	Y	Y	A	Y	Y

63. APPROVED **MOTION by Directors Antonovich, DuBois, Fasana, Knabe and Solis** that the Board directs the CEO to return within 60 days with a review of a potential north/south Metro express bus line linking the Metro Gold Line Foothill Extension with other transit stations in the San Gabriel and Gateway Cities subregions, including but not limited to the El Monte Busway station; Metrolink San Bernardino, Riverside and Orange County Lines; Gold Line Eastside Extension, and Metro Green Line. 2016-0071

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	Y	Y	A	Y	A	A	Y	Y	A	Y	Y

64. RECEIVED **Annual State of the Agency Address** from Chief Executive 2016-0065  
Officer, Phillip A. Washington.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
P	P	A	P	P	P	P	P	P	P	A	P	P

65. **CLOSED SESSION:** 2016-0069

A. Conference with Legal Counsel - Existing Litigation - G.C.

54956.9(d)(1)

1. Today's IV, Inc., v. LACMTA, USDC Case No. 2:13-CV-378  
-JAK-PLA

NO REPORT.

2. LACMTA v. Parsons-Dillingham, LASC Case No. BC150298  
(Consolidated with Case No. BC179027)

NO REPORT.

B. Conference with Real Property Negotiator - G.C. 54956.8

1. Property Description: 3839 Wilshire Blvd., Los Angeles, CA  
Agency Negotiator: Carol A. Chiodo  
Negotiating Party: Duk Yang Family Trust, et al.  
Under Negotiation: Price and Terms

APPROVED settlement in the amount of \$5,590,000.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	Y	Y	Y	Y	Y	A	A	Y	Y

2. Property Description: 5630 Arbor Vitae Street, Los Angeles,  
CA 90045

Agency Negotiator: Velma C. Marshall  
Negotiating Party: SoCal Partners I  
Under Negotiation: Price and Terms

NO REPORT.

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3. Property Description: 5630 Arbor Vitae Street, Los Angeles, CA 90045

Agency Negotiator: Velma C. Marshall

Negotiating Party: DTG Operations, Inc. (Dollar Rent a Car)

Under Negotiation: Price and Terms

APPROVED settlement in the amount of \$8.5 million for goodwill and \$300,000 for improvements.

DK	PK	JDW	SK	MB	MA	MRT	EG	JF	JB	HS	AN	DD
Y	Y	A	Y	Y	Y	Y	Y	Y	A	A	Y	Y

4. Property Description: 5601 West Century Blvd., Los Angeles, CA

Agency Negotiator: Velma C. Marshall

Negotiating Party: LRW Century Investment, LLC

Under Negotiation: Price and Terms

NO REPORT.

5. Property Description: Los Angeles Union Station Train Yard

Agency Negotiator: Calvin Hollis

Negotiating Party: California High Speed Rail Authority,  
Michelle Boehm, Southern California Regional Director

Under Negotiation: Price and Terms

NO REPORT.

Adjourned in memory of Ruth Edith Heit at 1:10 P.M.

Prepared by: Deanna Phillips  
Board Specialist

  
Michele Jackson, Board Secretary



## Board Report

File #: 2016-0087, File Type: Program

Agenda Number: 18.

### PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 17, 2016

**SUBJECT: 2016 STATE TRANSPORTATION IMPROVEMENT PROGRAM (STIP)**

**ACTION: APPROVE METRO PRIORITIES FOR FUNDING STIP PROJECTS**

#### **RECOMMENDATION**

APPROVE:

- A. **Metro funding priorities for recommendation to the California Transportation Commission for the prioritization of projects for funding in the 2016 STIP (Attachment A); and**
- B. **Resubmittal of the 2016 Regional Transportation Improvement Program (RTIP) for Los Angeles County as adopted by the Metro Board in December 2015 (Attachment B).**

#### **ISSUE**

On December 3, 2015, the Metro Board of Directors adopted the 2016 Regional Transportation Plan (RTIP) for Los Angeles County for submittal to the California Transportation Commission (CTC) consistent with a STIP Fund Estimate containing deferred funding adopted by the CTC in August 2015. On January 21, 2016, in response to continued declines in gasoline prices, the CTC adopted a revised STIP Fund Estimate which reduced overall STIP funding by approximately \$754 million over the five-year STIP period. Based on this reduction, CTC staff asked regional agencies to resubmit their 2016 RTIPs consistent with this new Fund Estimate. The CTC has the choice of 1) implementing statewide priorities consistent with the Fiscal Year 2016 Allocation Plan for reprogramming or deprogramming projects, or 2) imposing a decrease in STIP funds by formula. The formula reduction may translate into a \$118.4 million reduction in funding for Los Angeles County from the RTIP portion of the STIP and a decrease in \$188.4 million statewide for the Interregional Transportation Improvement Program (ITIP) projects, of which there are two in Los Angeles County.

The CTC has asked for regions to submit updated RTIPs by February 26, 2016 with adoption by the CTC scheduled for May 18, 2016. Metro staff is proposing to use the allocation priorities established by the CTC for the Fiscal Year (FY) 2016 Allocation Plan, as shown in Attachment A, with added information about how projects which are awarded, under contract, and underway are typically placed before any other allocation priorities. The recommendation is consistent with the Allocation Plan as well as established CTC practice for addressing limited funding availability.

## **DISCUSSION**

### **Background**

The STIP is a five-year capital improvement program of transportation projects on and off the State Highway System, funded with revenues from the State Highway Account and other funding sources. Every two years, the CTC develops and adopts guidelines and a fund estimate for the new STIP cycle. The last STIP was adopted by the CTC in March 2014. The 2016 STIP covers the five-year period from FY2017 through FY2021. In August 2015 the CTC adopted a “zero fund estimate” for the 2016 STIP, which provided no additional funding for new projects and necessitated the deferral of existing STIP projects due to actual revenue trends falling below previous estimates.

Metro submitted the 2016 RTIP for Los Angeles County on December 15, 2015 that addressed the August 2015 STIP Fund Estimate by reprogramming the existing list of projects as shown in Attachment B. On January 21, 2016, the CTC adopted a revised Fund Estimate which reduced the overall STIP programming capacity by \$754 million over the five-year period and set a new deadline for STIP submittals by February 26, 2016. The CTC has requested regions resubmit their RTIPs based on this new Fund Estimate.

Staff proposes resubmitting the 2016 RTIP with additional supporting information regarding the priority status of the LA County RTIP as well as ITIP projects consistent with Allocation Plan priorities shown in Attachment A. This will correctly position Metro’s program as the CTC decides how to prioritize it relative to other needs statewide. The projects shown in Attachment B are programmed consistent with the priorities recommended in Attachment A.

The STIP contains two portions. The RTIP accounts for 75% of the total STIP and is directly programmed by Regional Transportation Planning Agencies and County Transportation Commissions. The CTC will be holding the Southern California RTIP Hearing in Orange County on March 17, 2016.

The second portion is the ITIP, which makes up the remaining 25% of the STIP and is requested by Caltrans and adopted by the CTC. Los Angeles County has two projects in the ITIP. The first is the Burbank Airport/Rail Station Pedestrian Grade Separation Project, which has \$7 million (\$7M) programmed in FY2019. The second project is the Double Track near Northridge Station Project, which has \$63M programmed in FY2016. Given the zero fund estimate, the CTC will also be reconsidering delivery dates for these projects. The CTC held the Southern California hearing about the 2016 ITIP portion in Los Angeles on November 4, 2015.

### **Proposed 2016 STIP Priorities**

At the December CTC meeting, the CTC adopted an Allocation Plan for FY2016 projects due to the adopted STIP Fund Estimate. The Allocation Plan is a priority setting tool for CTC staff to manage allocation requests throughout the Fiscal Year. Attachment A shows the FY2016 Allocation Plan established along with the Metro staff recommendation to include projects with existing contract awards based on multi-year allocations as the highest priority. In summary the priorities are as

follows:

- *Projects with existing contract awards based on multi-year allocations* (Unwritten CTC policy);
- AB 3090 cash reimbursements;
- Planning, Programming and Monitoring (PPM);
- Projects funded with both STIP and other competitively selected fund;
- Projects at risk of losing federal funding if not allocated; and
- Project Allocations - safety, transit, highway capacity, active transportation, local roads

While not explicitly listed in the FY2016 Allocation Plan priorities, CTC practice is that allocated and contracted projects are the highest priority for funding. Metro staff's position is that the Light Rail Vehicles should be placed as a higher priority than all other yet to be allocated projects since they have already received multiple allocations, are under contract award, and the work is well underway. A project which has a contract award based on a multi-year STIP allocation should be treated like a highway project that has already been awarded. Typically, highway projects are allocated in the full amount at one time. Metro has previously accommodated a multi-year allocation for the purchase of Light Rail Vehicles to help the State better manage its programming capacity in the STIP. Metro has received approximately \$244 million in STIP allocations. Staff's position is that the remaining \$102.4 million continue to be allocated since this is part of one project. The CTC has not contemplated stopping highway projects under a contract award and de-mobilizing the project.

These priorities in Attachment A have been developed through longstanding practice which has been updated to include consideration of climate change impacts and project lifecycle costs, such as state of good repair, which are codified in the Governor's Executive Order B-30-15.

The projects listed below are grouped by portion of the STIP. While RTIP and ITIP projects are funded from different portions of the STIP, the CTC typically applies the same allocation priorities across both the RTIP and ITIP. Given broad statewide consensus on the allocation priorities, Metro staff recommends prioritizing our 2016 STIP projects according to the Allocation Plan priorities as shown in Attachment A.

- **Projects Funded with RTIP**
  - Metro's Light Rail Vehicle Purchase was programmed for FY2018 (\$50.0M) and FY2019 (\$52.4M) in the 2014 RTIP. The recommendation adopted by the Board in December, 2015 was reducing the FY2018 programmed amount to \$21.7M and the FY2019 amount to \$26.2M. The balance of \$54.5M will be divided over the two remaining program years of FY2020 and FY2021. This reprogramming is not expected to negatively impact the delivery of the rail cars. Typically, projects and phases which have received an allocation vote, are under contract, and are under construction are not considered for deprogramming and are a high priority for allocation.
  - AB3090 reimbursement for \$34.4M in RTIP funding. This reimbursement is for our advancement of funds for the Crenshaw/LAX LRT Project and is needed to maintain the cash flow for that project. The program years for this reimbursement are FY2018,

FY2019, and FY2020.

- Planning, Programming, and Monitoring (PPM) is used to fund the planning activities of Metro and is programmed for FY2016 (\$3.1M), FY2017 (\$6.1M), FY2018 (\$5.0M), FY2019 (\$4.6M) in RTIP funding.
- SR-138 Segment 9 is programmed in FY2016 for the Construction Phase (\$12.6M) in RTIP funding. Caltrans indicated this project can be delivered in FY2016, and as a result, we are recommending this project remain in its original program year. Additionally, this project is slated to receive its allocation under the FY2016 Allocation Plan.
- SR-138 Segment 6 and 13 are programmed for FY2017 for the Construction Phase (\$13.7M) and FY2021 for the Construction Phase (\$55.8M) respectively in RTIP funding. Currently these projects are defined as “Capacity Expansion on the State Highway System.” Metro staff is working with Caltrans District 7 to reclassify these projects as safety projects, which is consistent with the goals and objectives of the projects. By reclassifying these two projects as safety projects, the CTC should view both as high priority for allocation.
- Projects Funded with ITIP
  - Burbank Airport/Rail Station Pedestrian Grade Separation Project has \$7M programmed in FY2019 in ITIP funding. Since this is an intercity rail project with safety benefits, Metro staff believes this project will be a high priority for allocation and should not be deleted to address the funding limitations of the 2016 Fund Estimate.
  - The Raymer to Bernson Double Track near Northridge Station Project has \$63M programmed in FY2016 in ITIP funding. We have notified the CTC and Caltrans that this project has been delayed for two years pending additional analysis. This delay will help the CTC to manage the funding shortfall presented by the new STIP Fund Estimate.

#### Resubmittal of the 2016 RTIP for Los Angeles County

Metro staff proposes resubmitting the 2016 RTIP for Los Angeles County with the same projects, dollar amounts, and program years as was submitted by the original December 15, 2015 deadline, as shown in Attachment B. Attachment B is revised to include the ITIP projects in Los Angeles County and is consistent with the priorities shown in Attachment A.

#### Legislative Outreach Efforts

The Metro Board of Directors and Metro staff have long advocated for solutions to the volatility in the STIP specifically and transportation funding uncertainty at the state level in general. Governor Brown convened a Special Session of the Legislature in June 2015 to address transportation funding and policy issues. The Metro Board directed staff to write letters of support and work with the Los Angeles County delegation to advance legislation which would stabilize transportation funding from the state and address long-term structural issues with the current funding arrangements. Metro staff

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is continuing to engage with not only legislators from Los Angeles County but also with Southern California representatives on the CTC to ensure a fair and equitable solution to funding transportation in California.

### **DETERMINATION OF SAFETY IMPACT**

Action on this item will have no direct impact on the safety of our customers and/or employees.

### **FINANCIAL IMPACT**

Action on this item would have no negative financial impact to Los Angeles County. Providing priority information consistent with the Allocation Plan to CTC staff is anticipated to minimize any potential delay in projects programmed in the 2016 RTIP.

#### **Impact to Budget**

Action on this item has no impact to the FY2016 budget.

### **ALTERNATIVES CONSIDERED**

The Metro Board could direct staff to provide different information on project priorities from what is proposed in Attachment A. Metro staff does not recommend this approach as it would deviate from the previously established Allocation Plan priorities and may jeopardize funding for these projects.

The Metro Board could also choose to adopt a revised 2016 RTIP for Los Angeles County identifying \$118 million worth of project funding for deletion from the STIP, according to the Los Angeles County share of the \$754 million statewide shortfall. Metro staff does not recommend this approach as it could jeopardize the delivery of projects programmed in the RTIP.

### **NEXT STEPS**

With Board approval of our recommendation, we will proceed with the following 2016 Los Angeles County STIP adoption activities as required:

- Regions submit revised RTIPs February 26, 2016
- Caltrans submits revised ITIP February 26, 2016
- CTC STIP Hearing, South March 17, 2016
- CTC STIP Hearing, North March 24, 2016
- CTC publishes staff recommendations April 22, 2016
- CTC adopts STIP May 18-19, 2016

### **ATTACHMENTS**

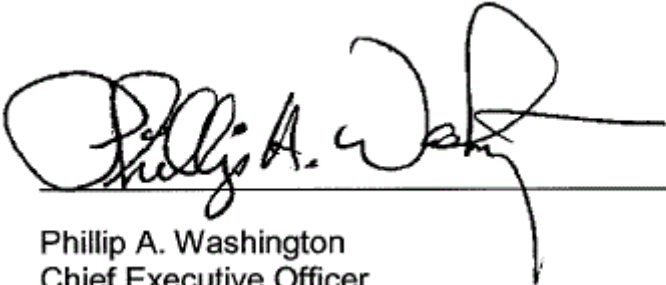
Attachment A - FY2016 STIP Programming Priorities

Attachment B - 2016 RTIP for Los Angeles County and ITIP Projects

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Phillip A. Washington  
Chief Executive Officer

## FY2016 STATE TRANSPORTATION IMPROVEMENT PROGRAM RECOMMENDED PROGRAMMING PRIORITIES

The priorities listed below are consistent with the FY2016 Allocation Plan as well as current CTC programming and allocation process.

- Projects with existing contract awards based on multi-year allocations as the highest priority
- AB 3090 cash reimbursements
- Planning, Programming and Monitoring
- Projects funded with both STIP and other competitively selected fund
- Projects at risk of losing federal funding if not allocated
- Project Allocations for:
  - Required mitigation projects for construction projects previously allocated
  - Safety projects on the state highway system (that cannot be funded by SHOPP)
  - Operational improvements on the state highway system
  - Capacity expansion intercity rail projects
  - Operational improvements on intercity rail system
  - Capacity expansion urban transit projects with intercity rail benefit or significant regional benefit
  - Operational improvements to transit with intercity rail benefit or significant regional benefit
  - Capacity expansion projects on state highways with freight benefit or that demonstrate significant economic impact, and that incorporate multiple corridor elements (rail, transit and/or active transportation)
  - Capacity expansion projects on state highways with freight benefit or that demonstrate significant economic impact
  - Local road rehabilitation and reconstruction
  - Operational improvements on local road and transit operational improvements
  - Active Transportation projects
  - Capacity expansion projects on state highways (other than those detailed above)
  - Capacity expansion local road projects and capacity expansion transit projects without intercity rail or significant regional benefit
  - Preconstruction funding for projects on the state highway system (excluding preconstruction components for projects funded with both STIP and other competitively selected funds)
  - Preconstruction funding for projects on local roads (excluding preconstruction components for projects funded with both STIP and other competitively selected funds)



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (METRO)**  
**2016 STATE TRANSPORTATION IMPROVEMENT PROGRAM PROJECTS**  
 (\$000)

Agency	Rte	PPNO	Project	Total	Prior Years	2016 RTIP Project Totals by Fiscal Year					2016 RTIP Project Totals by Component			
						FY 17	FY 18	FY 19	FY 20	FY 21	R/W	Const	PS&E	
METRO		9001	Planning, programming, and monitoring	18,846	3,098	6,136	4,995	4,617						
METRO	cash	4027A	AB 3090 reimbursement (12S-015) fr 17-18 to 19-20	34,400			6,880	17,200	10,320					
METRO	rail	4025	Light rail vehicles (78 plus 39 w/option)	-102,400			50,000	52,400					-102,400	
METRO	rail	4025	Light rail vehicles (78 plus 39 w/option)	102,400			21,700	26,200	26,700	27,800			102,400	
Caltrans	138	4560	Widening Segment 9, 126th St E - Longview Rd	12,600	12,600									
Caltrans	138	4356	Widening Segment 6, 87th St E - 96th St E (14S-07)	18,200	4,500	13,700							13,700	
Caltrans	138	393F	Rt 14-50th St, new expwy, RAW	-13,935	-13,935									
Caltrans	138	4357	Widening Segment 13, 190th St E - Rt 18 (14S-07)	-51,400	-9,500	41,900							-41,900	
Caltrans	138	4357	Widening Segment 13, 190th St E - Rt 18 (14S-07)	51,400	9,500					55,835			55,835	

<b>TOTAL 2016 RTIP PROGRAMMING REQUEST</b>	222,083		19,836	33,575	48,017	37,020	83,635		171,935	
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Agency	Rte	PPNO	Project	Total	Prior Years	2016 ITIP Project Totals by Fiscal Year					2016 ITIP Project Totals by Component			
						FY 17	FY 18	FY 19	FY 20	FY 21	R/W	Const	PS&E	
LACMTA	gsep	2106	Burbank Airport/Rail Station Pedestrian Grade Sep.	7,000				7,000					7,000	
Caltrans	rail	2098	Raymer to Bernson Double Track near Northridge Sta.	-63,500	-63,500								-63,500	
Caltrans	rail	2098	Raymer to Bernson Double Track near Northridge Sta.	63,500			63,500						63,500	

<b>TOTAL 2016 ITIP PROGRAMMING REQUEST</b>	70,500		-	63,500	7,000	-	-	-	70,500	-
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- Const Construction
- PS&E Plan, Specifications, and Estimate
- PPNO Program Project Number
- Rte Route
- R/W Right of Way
- RTIP Regional Transportation Improvement Program
- ITIP Interregional Transportation Improvement Program
- STIP State Transportation Improvement Program

**Board Report**

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**File #:** 2015-1712, **File Type:** Program**Agenda Number:** 19.

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**PLANNING AND PROGRAMMING COMMITTEE  
FEBRUARY 17, 2016****SUBJECT: CAP-AND-TRADE PROGRAM****ACTION: APPROVE CANDIDATE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM  
PROJECTS****RECOMMENDATION**

**AUTHORIZE the Chief Executive Officer to approve the development of project applications for grant funds from California's Cap-and-Trade Program's Greenhouse Gas Reduction Fund (GGRF) through the Transit and Intercity Rail Capital Program (TIRCP).**

**ISSUE**

The second cycle of GGRF programming for the Cap-and-Trade's TIRCP is underway; the State's call for projects occurred on February 5, 2016, and grant applications will be due to Caltrans by April 5, 2015. In order to meet this timeline, staff seeks Board approval to develop grant applications for identified candidate projects considered as the most competitive for this program. Staff will return to the Board in March for action on the submission of final project applications and prioritization.

The California State Transportation Agency (CalSTA), the administrator of TIRCP, intends to adopt a two-year program of projects, which in this Cycle 2 will be FY 2016-17 and 2017-18. Attachment A identifies the major capital project candidates nominated by various Metro departments to be evaluated in accordance with the rigorous evaluation criteria provided in the draft TIRCP Guidelines, illustrating graphically which projects evolved as the most viable for an award of grant funds. As with the last cycle, project readiness continues to be a major consideration, as allocations must be requested in the fiscal year of project programming. The projects that staff are considering as potentially competitive candidates for this cycle, in no order of priority, are the Airport Metro Connector; Division 20 Portal Expansion/Turnback Facility for the Red/Purple Line; Gold Line Foothill Extension Phase 2B; potential joint Metrolink projects; Orange Line Electric Bus Purchase; and the Westside Purple Line Extension Section 2.

**DISCUSSION**

The TIRCP was created by California State Legislature to provide grants to fund capital improvements and operational investments specifically designed to reduce greenhouse gas

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emissions by reducing vehicle miles traveled throughout California. The grant funds are derived from California's Cap-and-Trade Program and are the result of quarterly auctions of emission credits for greenhouse gas emitters regulated under Assembly Bill (AB) 32. Auction proceeds are then reinvested in various projects to further reduce emissions. No fund estimate has yet been determined for Cycle 2, however the Governor's draft FY 2016-17 budget recommends that approximately \$600 million be invested in the TIRCP program.

Unlike the first cycle, where applicants were limited to an award of approximately \$40 million for any one major capital project per applicant agency, Cycle 2 draft Guidelines are silent on both award limits and the number of applications that can be submitted by any one agency. However, as could be expected, the selection process promises to be rigorous.

Cycles 1 and 2 have been two-year programs; starting in FY 2018 CalSTA will move to five-year program cycles with the first year being FY 2018-19. Additional five year programs will be approved by April 1<sup>st</sup> of each even-numbered year thereafter, adopting a program for the allocation and expenditure of moneys during those five fiscal years.

### TIRCP Goals and Objectives

The goals of the TIRCP are to provide monies to fund transformative capital improvements that modernize California's intercity rail, bus, ferry, and rail transit systems to achieve all of the following objectives:

- Reduce greenhouse gas emissions;
- Expand and improve rail service to increase ridership;
- Integrate the rail service of the State's various rail operations, including integration with the high-speed rail system;
- Improve safety; and
- Provide a benefit to disadvantaged communities, and address a community need.

### Project Eligibility Criteria

CalSTA intends to fund a small number of transformative projects that will significantly reduce vehicle miles traveled, congestion, and greenhouse gas emissions by creating a new transit system, increasing the capacity of an existing transit system, or otherwise significantly increasing the ridership of a transit system, linking key destinations and improving accessibility to economic opportunities.

Project application evaluations will focus on the above objectives, as well as secondary evaluation criteria that consider the co-benefits of support for sustainable communities strategies, collaboration between rail operators, geographic equity, consistency with an adopted Sustainable Communities Strategy, leveraged supplemental funding (including from other GGRF programs), integration across other transportation modes and, if applicable, a financial plan that evidences support for service expansion. Those projects that score highly on multiple secondary evaluation criteria, with clear documentation of claimed benefits, demonstration of a high degree of project readiness, with few risks related to completion and achievement of the proposed benefits, will be highly rated by CalSTA.

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Maximizing benefits to disadvantaged communities (DAC) continues to be a legislatively-mandated goal of Cap-and-Trade Program. Attachment B uses California Environmental Protection Agency's (CalEPA) environmental health screening tool information as a background to Metro's existing and planned transportation projects and illustrates that the DACs, as defined, are disproportionately located in Los Angeles County and served by Metro's transit system.

CalSTA continues to give priority to applications which fund construction or implementation and expresses a preference for projects with clear phases or scalability. Multiple applications from the same agency must be prioritized. Consideration will be given to proposals to fund only preconstruction components for a project, but a full funding plan must be provided to assure construction of a useable segment. In all scenarios, a project or project elements will be considered only if fully funded. While a local funding match is not required, a highly rated project will clearly indicate the acceleration of project delivery made possible due to the inclusion of TIRCP funds to complete the funding package.

### Potential Metro Projects

Because the TIRCP application deadline is April 5 and applicants have only 60 days to prepare and submit funding applications, it is necessary to consider potential candidates for Cycle 2 funding in advance of completion of a draft expenditure plan for the potential ballot measure and an updated Long Range Transportation Plan (LRTP). Based on the draft Guidelines criteria and Metro's current project development schedules, staff has preliminarily identified the six above-referenced projects as having the potential to meet the Guidelines criteria. Staff developed the matrix shown in Attachment A and recommends further analysis be undertaken with the goal of submitting one or several applications to CalSTA.

To ensure competitiveness of Metro's applications, initial additional analysis to focus our field of candidates will include a preliminary screening of potential greenhouse gas emissions reductions that a project could provide, as well as a refining of project schedules to ensure award of construction contracts could be accomplished within the time frame provided by CalSTA, which is within six months of a request for allocation of the awarded funds from the California Transportation Commission, but no later than the Commission's June 2018 meeting.

The Board will be requested to approve final application submittals and project prioritization at the March Board meeting, prior to the April 5 application deadline.

### Multi-Year Cap-and-Trade Strategy

Pursuant to Director Butts' Amendment to Item No. 28 on October 22, 2015 (Attachment C) that requested a comprehensive Cap-and-Trade strategy and action plan (Plan), staff has been developing an overall approach for identifying potentially competitive candidate capital transit expansion projects that are in the adopted 2009 Long Range Transportation Plan and that realize a nexus with the Cap-and-Trade Program priorities. The Cycle 2 nominated projects have been identified as a result of our efforts to develop the requested Plan. Inasmuch as the Plan should also consider the draft expenditure plan for the potential ballot measure currently in development, we will respond to Director Butts' Motion at the April 2016 Board meeting to ensure that all priorities are

considered and measured against the Program criteria.

As the GGRF grows and the Cap-and-Trade Program matures to a five-year cycle in FY 2018, we will likely see significant possibilities to strategically apply for funds using a multi-year strategy to compliment the funding profiles of our larger transit projects.

### **DETERMINATION OF SAFETY IMPACT**

The requested actions will have no impact on the safety of our customers or employees.

### **FINANCIAL IMPACT**

Funding required for preparation of project applications has been included in cost center 4420 budget for FY 2016.

#### **Impact to Budget**

Preparation of project applications will have no impact on the FY2016 budget.

### **ALTERNATIVES CONSIDERED**

The Board could choose not to approve the candidate projects contained in Attachment A and instead select one or more other projects considered for application. Staff does not recommended this alternative as the listed projects have the potential to meet the criteria set forth in the Guidelines and should represent at least one competitive application on behalf of Metro.

### **NEXT STEPS**

Upon approval, staff will prepare the project applications, due to Caltrans by April 5, 2016. The Board will be requested to approve final application submittals and project prioritization at the March Board meeting. CalSTA will publish the list of approved projects by August 1, 2016 and the list will be presented to the California Transportation Commission on August 17, 2016. We anticipate funds will be available for allocation between September 1, 2016 and June 30, 2018.

Staff will present the projects for which TIRCP applications are being submitted, and recommended priorities, at the March 2016 Board meeting and will provide the requested Plan at the April 2016 meeting.

### **ATTACHMENTS**

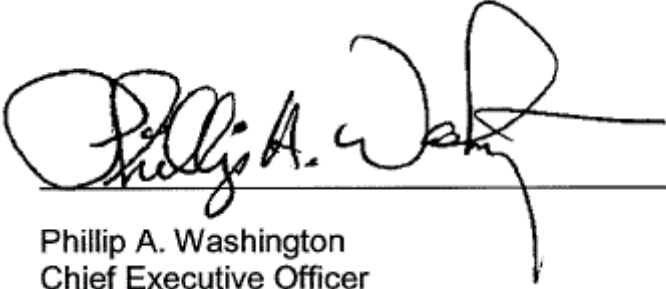
Attachment A - Proposed Metro TIRCP Projects Decision Matrix

Attachment B - Disadvantaged Communities Map

Attachment C - Amendment to Item No. 28 by Director Butts, dated October 22, 2015

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Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



Phillip A. Washington  
Chief Executive Officer

**TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM**

Greenhouse Gas Reduction Fund

**Evaluation Criteria**

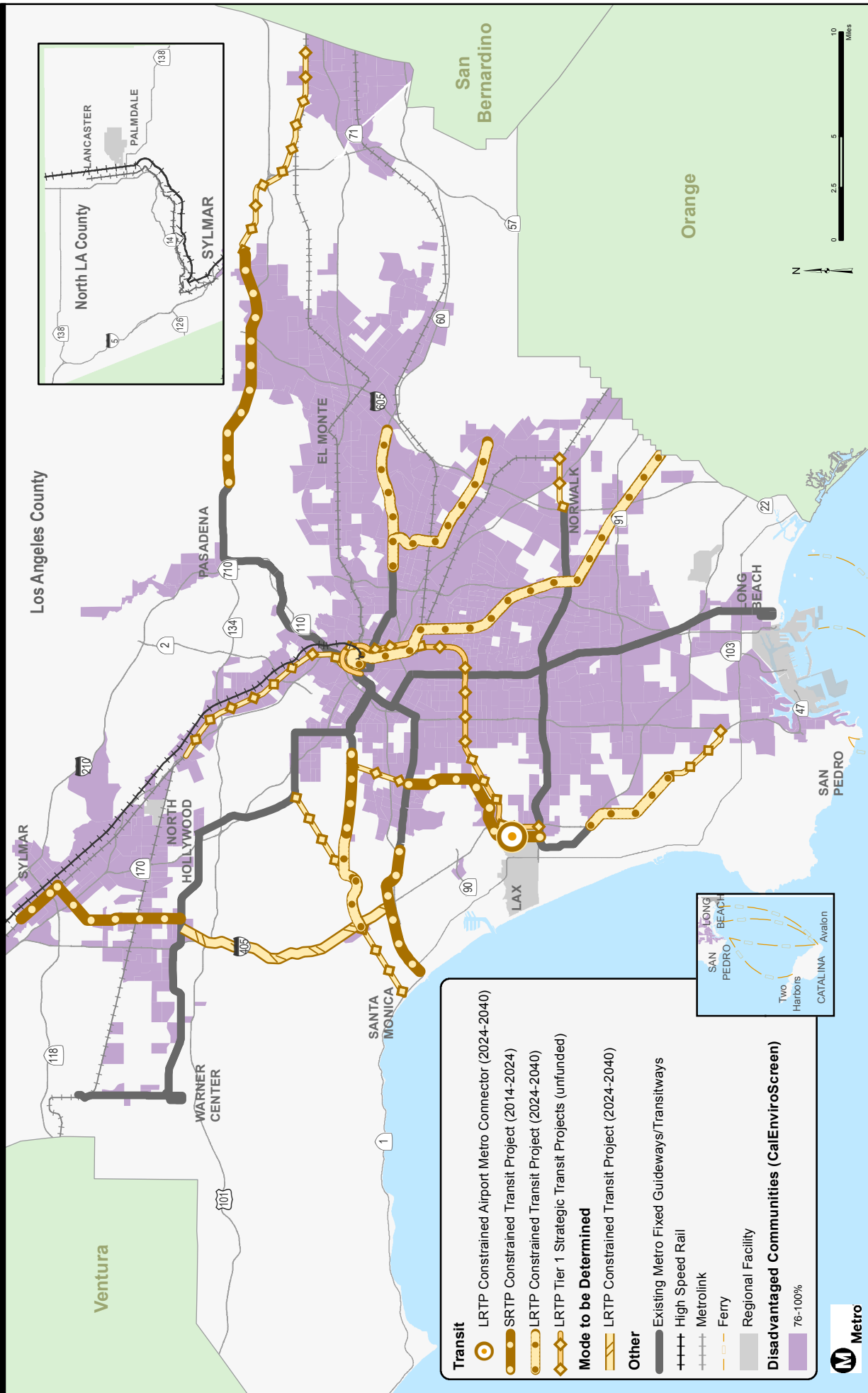
	Metro Priority Criteria				Cal STA Primary Criteria				Cal STA Secondary Criteria					
	Project readiness (allocation by June 2018)	Construction or implementation	Leverage other funds	Scope, cost, and schedule available	Reduce greenhouse gas emissions	Increase ridership	Integrate service	Improve safety	Support Sustainable Communities Strategies (SCS)	Benefit disadvantaged communities	Support collaborative priorities	Geographic equity	Consistent with related SCS plans	Integration across transport modes
<b>PROPOSED SECOND CYCLE PROJECTS</b>														
Airport Metro Connector	Yes	X	X	X	X	X	X	X	X	X	X	X	X	X
Division 20 Portal Expansion/Turnback Facility for Red/Purple Line	Yes	X	X	X	X	X		X		X	X	X		
Gold Line Foothill Extension Phase 2B	Yes	X	X	X	X	X			X	X		X		X
Joint Metrolink Projects	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Orange Line Electric Bus Purchase	Yes	X	X	X	X	X			X	X				
Westside Purple Line Section 2	Yes	X	X	X	X	X		X		x	X		X	X

Note: Proposed projects are listed in alphabetical, not priority, order.





L RTP Transit Projects



**Transit**

- L RTP Constrained Airport Metro Connector (2024-2040)
- SRTP Constrained Transit Project (2014-2024)
- L RTP Constrained Transit Project (2024-2040)
- L RTP Tier 1 Strategic Transit Projects (unfunded)

**Mode to be Determined**

- L RTP Constrained Transit Project (2024-2040)

**Other**

- Existing Metro Fixed Guideways/Transitways
- High Speed Rail
- Metrolink
- Ferry
- Regional Facility

**Disadvantaged Communities (CalEnviroScreen)**

- 76-100%

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**Amendment to Item No. 28 by Director Butts****October 22, 2015**

Consistent with the state statute AB 32, the Air Resources Board (ARB) established a Cap and Trade (C&T) program. In 2012 SB 535 was enacted and requires that 25 percent of C&T auction revenue be used to **benefit** disadvantaged communities and 10 percent of auction revenue **be invested** in disadvantaged communities.

Starting in 2015-16 and beyond, the Legislature and Governor agreed to a continuous appropriation of 60 percent of cap-and-trade revenues for specific programs; including: high-speed rail, affordable housing and sustainable communities, transit and intercity rail capital, and low-carbon transit operations. **The remaining 40 percent of unspent revenue—estimated to be about \$1.5 billion by the end of 2015–16—is available to be allocated in near future legislation.**

Availability of the Cap and Trade auction revenues presents an unprecedented funding opportunity for Metro to aggressively pursue a “fair-share” of revenues, from both the 60 percent continuous appropriation supported programs, as well as the 40 percent—\$1.5 billion—of funds yet to be appropriated by the Legislature. These funds should be a Metro priority to benefit the large number of “Disadvantaged Communities” in Los Angeles County. But outside of using the 2009 LRTP as a template, Metro lacks a comprehensive strategy, including numerical revenue targets, serving as framework for the Metro Board to join with key non-profit stakeholders, sub regional COGs, SCAG, labor, and private sector partners in securing our fair-share of Cap and Trade revenues. In order for Metro to be competitive and demonstrate strong leadership in securing a substantial amount of future Cap and Trade revenues, we need a plan of action.

**I, Therefore, Move** that the Board direct the CEO to develop a comprehensive Cap and Trade strategy and action plan, including annual numerical revenue targets, for consideration by the Board for the January 2016 Planning and Programming Committee.

I further Move that the strategy should:

1. Identify the potential role of the Cap and Trade funds as part of the proposed Expenditure Plan being developed for consideration as part of sales tax development process; and
2. include a legislative component identifying specific policy and programmatic recommendations on the projected \$1.5 billion of un-appropriated auction revenues to be considered by the Legislature during the 2016 session.

Additionally, the strategy and action plan should focus on all of the transportation related categories of Cap and Trade funding and be developed in direct consultation with sub regional COGs.



## Board Report

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File #: 2015-1710, File Type: Policy

Agenda Number: 20.

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### PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 17, 2016

**SUBJECT: ACTIVE TRANSPORTATION PROGRAM CYCLE 3 METRO GRANT ASSISTANCE POLICY**

**ACTION: APPROVE METRO'S ACTIVE TRANSPORTATION PROGRAM (ATP) POLICY**

#### **RECOMMENDATION**

CONSIDER:

- A. RECEIVING AND FILING the **Final Statewide and Southern California Association of Government's (SCAG) recommended Active Transportation Program (ATP) Cycle 2 Results Summary for Los Angeles County** (Attachment A);
- B. APPROVING proposed 2016 ATP Grant Assistance Policy (Attachment B); and
- C. AUTHORIZING the CEO to reprogram Call for Projects commitments with reduced amounts to reflect ATP partial awards (Attachment C).

#### **ISSUE**

The Southern California Association of Governments (SCAG) presented final recommendations for the 2015 ATP Regional Program to the SCAG Executive Administration Committee (EAC) on January 7, 2016. The final Regional Program awarded \$76 million for the Southern California Region of which \$41 million was awarded to Los Angeles County. Combined with the \$61 million awarded in the Statewide competition, Los Angeles County ATP Cycle 2 awards total \$102 million. The Statewide and Regional Program Los Angeles County awards are detailed in Attachment A.

In February 2014, the Metro Board approved a policy that requires local agencies to resubmit previous Call for Projects grants for the State's Active Transportation Program (ATP) with assistance from Metro-selected grant-writing consultants. The ATP Cycle 3 Call for Projects will be released as early as March 2016. Staff is proposing a new policy to optimize the results of the grant assistance for the ATP in terms of increased funding awards, implementation of Metro policies and plans, and support for the state's ATP goals.

## **DISCUSSION**

### **Updated SCAG ATP Regional Program**

In October 2015, staff presented the 2015 SCAG Draft Regional Program for Los Angeles County ATP applicants. An additional \$238,000 became available to partially fund a high-scoring Los Angeles County project. Following discussion with project sponsors in the threshold range to receive surplus funds, a project sponsor was identified that would be able to deliver its full project with the partial ATP funds. The complete ATP Cycle 2 results for Los Angeles County, including the updated SCAG regional awards, the statewide competitive awards, and the impact to Metro's Call for Projects are detailed in Attachment A.

The grant assistance program has been an integral part of the success of Los Angeles County projects in the ATP. In addition to prior Call projects, Metro also sponsored projects which were put forward for the ATP based on existing Metro Board commitments.

### **2016 ATP Grant Assistance Policy**

Metro staff proposes to update the ATP Policy (Attachment B) to transition to a focus on advancing and implementing Metro's active transportation plans and meeting critical active transportation needs in Los Angeles County. This transition is also integral to more closely align grant assistance with ATP goals, leading to increased awards. Metro's grant assistance program has been a powerful tool which has helped reduce much of the funding shortfall that it was created to address.

In July 2014 the Board directed staff to develop a funding plan for the Active Transportation Strategic Plan (ATSP) which builds upon many of Metro's existing active transportation policies and plans. Staff has identified the ATP as a good fit for the ATSP's goals and funding needs. The proposed ATP policy would enable Metro to begin implementing ATSP projects as well as assist voluntary Call projects.

Attachment D shows the potential projects from the 2015 Call for Projects identified based on funding programmed in Fiscal Years 2019, 2020, and 2021 and funding need over \$1 million. Preliminary assessment of each project's fit with Metro and ATP objectives is also shown. Project sponsors have been invited to participate in reapplication. Sponsors can also offer to apply for other projects with Metro grant assistance if the projects have Metro Board commitment or directly contribute to implementing Metro active transportation plans and policies such as the First/Last Mile Strategic Plan, Complete Streets Policy, Urban Greening Plan, and in the future ATSP.

Metro has the opportunity to employ the 10 points used in the SCAG ranking process to maximize the proportion of funding from the SCAG Regional ATP competition used for Metro active transportation goals. In ATP Cycles 1 and 2, Metro assigned the full 10 points to all projects except any that were clearly not in alignment with regional or local plans. All projects submitted received the 10 points, none were denied.

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Just as selecting projects for grant assistance can maximize the amount of Los Angeles County ATP funding, aligning the 10 points for the regional program with Metro policies and plans will maximize the amount of regional ATP funding for projects that implement Metro goals. Staff is recommending assigning 7 points to all projects except any that are clearly not in alignment with regional or local plans, and an additional 3 points to all successful Call projects, projects with Metro Board commitment, and projects which implement Metro active transportation plans and policies. The 10 points are part of an overall strategy that Metro can use to attract and focus both statewide and regional funding toward the implementation of Board adopted active transportation projects, plans, and policies within the environment of the State and regional ATP prioritization process.

#### Adjusted Call for Projects Commitments

There are a few projects within the Call for Projects funding plan that require adjustments to their original Call Commitment to address partial ATP funding received. In total, approximately \$3.9 million is needed in place of the original \$7.7 million commitment, shown in Attachment C.

#### **DETERMINATION OF SAFETY IMPACT**

The recommendations in this report will not have any direct impact on the safety of our customers and employees.

#### **FINANCIAL IMPACT**

Funding for consultant grant assistance services is included in the FY 2016 Budget under Cost Center 4420, Project 405510, Task Number 05.04.01.

#### Impact to Budget

The source of funds for the grant assistance services is Proposition A, C, and TDA Administration which is not eligible for bus and rail operating and capital expenditures.

#### **ALTERNATIVES CONSIDERED**

The Board may consider mandatory rather than voluntary reapplication to the ATP for Call projects. This alternative is not recommended as there are few ATP-competitive projects left from the affected period of FY 2014 to 2019 per the original February 2014 mandatory grant assistance policy. Expanding the mandatory policy beyond this period would place a burden specifically on active transportation project sponsors that is not shared with other Call modes, though the funding pressures on the Call for Projects are not specific to individual modes. Staff believes shifting emphasis toward the goals of the ATP itself will result in greater total awards for Los Angeles County.

#### **NEXT STEPS**

Discussions are currently taking place regarding a possible delay of ATP Cycle 3. Should Cycle 3 be delayed, staff will return to the Board with updated project lists based on more complete information from the ATSP and project studies. Assuming no delay occurs, the next steps are as follows:

- January 7, 2016 - SCAG Executive Administration Committee (EAC) approves SCAG Regional Program recommendations.
- January 8, 2016 -SCAG submits Regional Program to CTC.
- January 20, 2016 - CTC adopts SCAG Regional Program.
- March 2, 2016 - Project sponsors notify Metro of their interest in grant assistance
- March 16, 2016 - Metro selects and notifies project sponsors receiving grant assistance
- February-March 2016 - Grant Delivery Training Workshop and Project Partnership and Development Workshop
- June 15, 2016 - ATP Cycle 3 Grant Applications Due

### **ATTACHMENTS**

Attachment A - ATP Cycle 2 Results for Los Angeles County

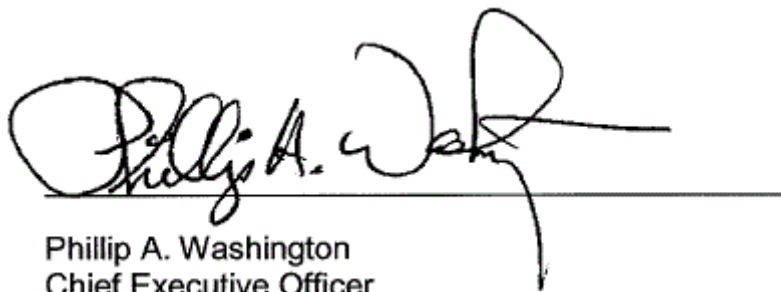
Attachment B - 2016 ATP Grant Assistance Policy

Attachment C - Reprogrammed Call for Projects Commitments

Attachment D - ATP Cycle 3 Projects Evaluation

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Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



Phillip A. Washington  
Chief Executive Officer

**Active Transportation Program Cycle 2  
Statewide Awards for Los Angeles County**

(\$ in thousands)

	Agency	Project Title	Total Project Cost	Total Funds Awarded	Score
1	Los Angeles County	Los Nietos SRTS- Phase I	1,847	1,601	99.00
2	Los Angeles	Pedestrian and Bicycle Neighborhood Intersection Enhancements	1,883	1,506	97.00
3	Los Angeles County MTA	Willowbrook/Rosa Parks Pedestrian Promenade And Bicycle Mobility Hub	3,662	2,909	97.00
4	Los Angeles County	Rosemead Boulevard Complete Street Improvements Phase 1	1,250	1,000	95.00
5	Los Angeles Unified School District	LAUSD Middle School Bicycle Safety Physical Education Program	1,360	1,360	94.00
6	Culver City	Washington-Culver Pedestrian and Cyclist Safety Project	2,622	2,772	94.00
7	Los Angeles County	West Carson Community Bikeways	531	425	94.00
8	Long Beach	Delta Avenue Bicycle Boulevard	1,335	1,075	93.00
9	Los Angeles County	Hawthorne/Lennox Green Line Station Community Linkages	3,070	2,406	93.00
10	Pico Rivera	Regional Bikeway Project	4,917	3,932	93.00
11	Los Angeles County	Vincent Community Bikeways	4,399	3,519	93.00
12	Lancaster	10th Street West Road Diet and Bikeway Improvements	1,568	785	92.00
13	Santa Monica	Michigan Ace Greenway: Completing Bike/Ped Expo Connection Over the I-10	1,234	987	92.00
14	Whittier	Whittier Greenway Trail East Extension Gap Closure	5,332	4,516	92.00
15	Los Angeles County	Aviation /LAX Green Line Station Community Linkages	2,578	1,941	91.00
16	Los Angeles	Orange Line-Sherman Way Pedestrian Links	1,441	1,153	90.00
17	Lancaster	Pedestrian Gap Closure Improvements	7,824	6,259	90.00
18	Arcadia	Bicycle and Facility Improvements	1,457	1,020	89.00
19	Los Angeles	Boyle Heights Pedestrian Linkages	5,000	5,000	89.00
20	Los Angeles County MTA	Union Station Master Plan: Alameda Esplanade	12,340	12,340	89.00
21	Santa Monica	Expo Station 4th Street Linkages to Downtown and Civic Center	2,016	1,613	88.00
22	South Gate	Long Beach Boulevard Pedestrian Improvements	2,586	2,250	88.00
23	Rosemead	Rosemead SRTS Project	842	702	88.00
<b>Total Los Angeles County Statewide Awards</b>			<b>71,094</b>	<b>61,071</b>	

## Active Transportation Program Cycle 2 SCAG Regional Awards for Los Angeles County

(\$ in thousands)

	Agency	Project Title	Total Project Cost	Total Funds Awarded	Score*
1	Los Angeles County MTA	Metro Rail to Rail Active Transportation Corridor Segment A-1	20,278	8,326	98.00
2	La Verne	La Verne Regional Commuter Bicycle Gap Closure Project	18,712	1,552	97.00
3	Port of Long Beach	Coastal Bike Trail Connector-Ocean Blvd, Long Beach	6,660	4,000	96.00
4	Lynwood	Community Linkages to Civic Center and Long Beach blvd Metro Station	2,891	2,319	96.00
5	Torrance	Downtown Torrance Active Transportation Improvement Project	2,533	2,027	96.00
6	Port of Long Beach	South Water Front/Pier j Bike and Pedestrian Path	3,563	2,000	96.00
7	Los Angeles	Broadway Historic Theater District Pedestrian Improvements 4th-6th Streets	7,690	6,862	95.00
8	Cudahy	Wilcox Avenue Complete Streets and SRTS Project	1,371	1,344	95.00
9	Los Angeles	Colorado Bl Pedestrian and Bicycle Active Transportation Improvements	9,843	9,743	94.00
10	Huntington Park	Uncontrolled Crosswalk Pedestrian Safety Enhancement Project	1,793	1,757	93.75
11	Downey	South Downey SRTS**	516	238	93.00
12	Downey	Downey Bike Share and Safety Education**	294	180	92.00
<b>Subtotal Los Angeles County Regional Implementation Awards</b>			<b>76,144</b>	<b>40,348</b>	
13	Santa Clarita	Junior High and High School SRTS Plan	200	160	82.00
14	Downey	Pedestrian Plan	300	300	80.00
15	Bellflower	Bellflower and Paramount Joint Active Transportation Plan	125	100	68.00
16	Irwindale	Citywide Non Motorized Design Guidelines and Active Transportation Action Plan	154	154	67.00
<b>Subtotal Los Angeles County Regional Planning Awards</b>			<b>779</b>	<b>714</b>	
<b>Total Los Angeles County Regional Awards</b>			<b>76,923</b>	<b>41,062</b>	
<b>Total Los Angeles County ATP Cycle 2 Awards</b>			<b>148,017</b>	<b>102,133</b>	

\* Scores for Implementation Awards reflect 10 points added for consistency with regional and local plans.

\*\* Downey's South Downey SRTS project received partial funding of \$238,000 upon determination that amongst other LA County projects with the same application score, it could deliver its project using the partial ATP funds and City funds. Downey's Bike Share and Safety Education project received partial funding of \$180,000 following deliberation between two LA County projects. Downey's project was identified as a higher priority project due to its location in a disadvantaged community. The City also confirmed that it would be able to commit to project delivery using the partial ATP funding and City funds.



**Active Transportation Program Cycle 2**  
**Impact to the Call for Projects**

(\$ in thousands)

CFP ID	Project Sponsor	ATP Project Title	CFP Commitment	ATP Award	ATP Score
1 F7517	Arcadia	Bicycle and Facility Improvements	1,156	1,020	89.00
2 F5509	Lancaster	10th Street West Road Diet and Bikeway Improvements	1,048	785	92.00
3 F7522	Long Beach	Delta Avenue Bicycle Boulevard	1,016	1,075	93.00
4 F5629	Los Angeles	Orange Line-Sherman Way Pedestrian Links	1,093	1,153	90.00
5 F7539	Los Angeles	Pedestrian and Bicycle Neighborhood Intersection Enhancements	2,239	1,506	97.00
6 F7508	Los Angeles County	Vincent Community Bikeways	3,426	3,519	93.00
7 F7512	Los Angeles County	West Carson Community Bikeways	1,070	425	94.00
8 F7609	Los Angeles County	Hawthorne/Lennox Green Line Station Community Linkages	1,787	2,406	93.00
9 F7610	Los Angeles County	Aviation /LAX Green Line Station Community Linkages	1,587	1,941	91.00
10 F7502	Pico Rivera	Regional Bikeway Project	2,309	3,932	93.00
11 F7807	Santa Monica	Expo Station 4th Street Linkages to Downtown and Civic Center	1,613	1,613	88.00
12 F7612	South Gate	Long Beach Boulevard Pedestrian Improvements	1,481	2,250	88.00
<b>Subtotal Statewide Funded Projects</b>			<b>19,825</b>	<b>21,625</b>	
13 F7524	La Verne	La Verne Regional Commuter Bicycle Gap Closure Project	1,123	1,552	87.00
14 F3644	Los Angeles	Broadway Historic Theater District Pedestrian Improvements 4th-6th Streets	2,258	6,862	85.00
15 F7620	Lynwood	Community Linkages to Civic Center and Long Beach blvd Metro Station	2,595	2,319	86.00
<b>Subtotal Regional Funded Projects</b>			<b>5,976</b>	<b>10,733</b>	
<b>Total Call Projects awarded in Statewide and Regional Competitions</b>			<b>25,801</b>	<b>32,358</b>	

## Active Transportation Program Cycle 2 Projects to be Retained in Call for Projects

(\$ in thousands)

	CFP ID	Project Sponsor	ATP Project Title	CFP Commitment
1	F7634	Bell	Florence Avenue Pedestrian Improvements*	2,159
2	F7506	Burbank	Chandler Bikeway Extension and San Fernando Bikeway GaP Closure	2,639
3	F3510/ F5523	Los Angeles	Regional Bike Share Program Expansion	2,906
4	F7622	Los Angeles	LANI - West Boulevard Community Linkages Project	1,379
5	F7624	Los Angeles	Walk Pico! A Catalyst for Community Vitality and Connectivity	1,841
6	F7636	Los Angeles	Broadway Historic Theater District Pedestrian Improvements 8th-9th Streets	2,385
7	8150	Los Angeles County	San Jose Creek Trail-Phase II	1,243
8	F7512	Los Angeles County	West Athens 110th Street Bicycle Boulevard Gap Closure*	645
9	F7521	Redondo Beach	Regional Commuter Bicycle Gap Closure Project	1,562
10	F1505	San Fernando	Pacoima Wash Bikeway and Pedestrian Path	1,513
<b>Total Call Projects to be Retained in Call for Projects</b>				<b>18,272</b>

\* Remaining CFP Commitment reflects balance after partial ATP funding

## **METRO 2016 ACTIVE TRANSPORTATION PROGRAM GRANT ASSISTANCE POLICY**

The Active Transportation Program (ATP) is an important resource to address the serious deficits to the active transportation infrastructure in Los Angeles County and thereby augment affordable mobility options and achieve safety, health, and sustainability goals. Through Cycles 1 and 2 of the ATP, Metro made up more than \$65 million of the \$90 million shortfall in the Call for Projects funding plan caused by the state's creation of the ATP. Metro can now shift to a voluntary Call for Projects reapplication program, while also beginning a new focus on the overall implementation of Metro-adopted projects, programs, and policies. The following points make up the 2016 ATP grant assistance policy.

### **Voluntary Reapplication for Call for Projects**

Sponsors of ATP-eligible projects funded in the 2015 Call for Projects are encouraged to apply for ATP funds. Projects with a Call for Projects commitment of \$1 million or more and Call funding in Fiscal Years (FY) 2019 through 2021 may receive grant writing assistance. These projects are listed on Attachment D.

- A. ATP funds secured by Call projects will be used to address the shortfall and/or augment the capacity of the Metro Call for Projects Funding Plan.
- B. Call for Projects sponsors applying to the ATP with Metro grant assistance may use updated scope of work or cost estimate information as long as the updated scope of work is consistent with or includes the original scope of work. However, should such projects not be awarded ATP funds, Metro is responsible only for the prior Call for Projects commitment amount.
- C. Should a successful Call project receive no ATP award, or an award in an amount less than its original Call commitment, or have its award reduced through Caltrans eligibility reviews, Metro will provide Call funding, as available and applicable, to complete the original Call for Projects Commitment.
- D. Project sponsors will not be required to provide a local match. However local match is encouraged for strategic reasons. Local match earns scoring points and project sponsors may use all or a portion of the overmatch, upon receiving a fully-executed Letter of No Prejudice from Metro, to advance the planning, design, or right-of-way activities for a project in order to ensure timely readiness for construction.

### **Applications to Implement Metro Board-Adopted Projects, Programs, and Policies**

Projects with Metro Board commitment, or which directly contribute to the implementation of Metro Board-adopted policies and programs may also request grant writing assistance through a Letter of Interest. Qualifying Metro plans and policies include:

- Active Transportation Plan\*
- Bicycle Transportation Strategic Plan
- Blue Line First/Last Mile Implementation Plan\*
- Complete Streets Policy
- First/Last Mile Strategic Plan
- Urban Greening Policy and Toolkit

\* Plan applicability is subject to the plan completion date fit with ATP Cycle 3 commencement date. Cycle 3 commencement date is scheduled for mid-March, but a deferral is under discussion.

### Process

To assist project sponsors and ensure continuing advantageous outcomes from the ATP, Metro may provide no-cost grant-writing assistance for projects selected according to the following process.

- A. Agencies must confirm in writing that they wish to take advantage of the assistance and that they understand and will commit to putting forth the full effort required for the ATP application process as described below. Metro staff will identify the projects for assistance, and notify project sponsors. Priority will be placed on projects which effectively address ATP and Metro goals and provide a local match. Projects requiring under \$1 million in ATP funds will not be considered.
- B. Sponsors will submit a complete set of project description and project planning and development documents and meet with the consultant to initiate the grant assistance. The ATP application process is rigorous, and requires a significant commitment of local jurisdiction effort, even with the assistance of a consultant. Project sponsors are expected to meet to discuss the project, provide additional materials as necessary, review and comment on two application drafts, sign (including engineer review, stamp and multiple initials), produce several hard and electronic copies, and postmark the application by June 1, 2016

### Assignment of Up to 10 Points for SCAG Regional Competition Score

- A. Assign seven points to all projects except any that are clearly not in alignment with regional or local plans.
- B. Assign an additional three points to all successful Call projects, all projects with Metro Board commitment, and all projects which implement Metro active transportation plans and policies. Qualifying plans and policies include any plans and policies for which grant writing assistance is allowable.

## Reprogramming to Reduce Call for Projects Commitments

**F5509 – City of Lancaster – 10<sup>th</sup> St W Road Diet and Bike Lane, Av H-Lancaster Blvd**

In ATP Cycle 2, the project received only \$785,000 of its \$1,048,000 Call commitment due to items eligible under the Call being ineligible under the ATP.

**F7512 – Los Angeles County – West Athens and West Carson Community Bikeways**

In ATP Cycle 2, this project was separated into two separate projects for application to the ATP. One of the projects was funded, while the other was not. The project needs \$645,000 for the remaining Call commitment to complete the second part of the project.

**F7517 – City of Arcadia – Bicycle Facility Improvements**

In ATP Cycle 2, the project received only \$1,020,000 of its \$1,156,000 Call commitment due to items eligible under the Call being ineligible under the ATP.

**F7539 – City of Los Angeles – Bicycle Friendly Street Treatments (3)**

In ATP Cycle 2, the project received only \$1,506,000 of its \$2,239,000 Call commitment due to items eligible under the Call being ineligible under the ATP.

**F7634 – City of Bell—Florence Avenue Pedestrian Improvement Project**

In ATP Cycle 1, Bell received a partial award for only the design phase of its project. The City reapplied in ATP Cycle 2, but was unsuccessful in obtaining the remaining Construction project costs. The project needs the remaining Call commitment of \$2.1 million.

**Active Transportation Program**  
**Call for Projects Reprogramming to Reflect Partial ATP Funding**  
(\$ in thousands)

NO	CFP ID	AGENCY	CALL FOR PROJECTS TITLE	ORIGINAL CFP COMMITMENT	ATP AWARD	REPROGRAMMED CFP COMMITMENT	PROPOSED FUND SOURCE	REVISED PROGRAM YEAR
1	F5509	LANCASTER	10TH ST W ROAD DIET & BIKE LANE, AV H-LANCASTER BL	1,048	785	263	LTF	FY 2018
2	F7512	LA COUNTY	WEST ATHENS AND WEST CARSON COMMUNITY BIKEWAYS	1,070	425	645	LTF	FY 2019
3	F7517	ARCADIA	BICYCLE FACILITY IMPROVEMENTS	1,156	1,020	136	LTF	FY 2019
4	F7539	LA CITY	BICYCLE FRIENDLY STREET TREATMENTS (3)	2,239	1,506	733	CMAQ	FY 2019
5	F7634	BELL	FLORENCE AVENUE PEDESTRIAN IMPROVEMENT PROJECT	2,221	62	2,159	LTF	FY 2018
<b>TOTAL</b>				<b>7,734</b>	<b>3,798</b>	<b>3,936</b>		

**Active Transportation Program Cycle 3  
Potential Projects Evaluation**

Projects on the following list are eligible to volunteer to apply for Cycle 3 of the Active Transportation Program (ATP) and request Metro grant assistance. Projects from the 2015 Call for Projects (Call) and existing projects with Metro Board commitments are shown. Other projects that implement Metro's active transportation plans and policies are to be determined.

Call project sponsors' requests for grant assistance for the projects shown will be considered along with requests for non-Call projects which have Metro Board commitments or will directly contribute to implementing Metro plans and policies. Metro shall select projects for grant assistance from the complete pool of volunteers.

ACTIVE TRANSPORTATION PROGRAM CYCLE 3									
Potential Projects Evaluation									
		ATP-Specific Criteria			Mutual Criteria				Metro-Specific Criteria
		Safety - project reduces fatalities & injuries & addresses hazards	Health - project improves health outcomes	Benefit to DAC, % of funds spent there, direct meaningful benefits**	Increases usage of bicycle/pedestrian facilities	Consistency with Metro sustainability and active transportation policies	Project readiness	Local Match	Metro Board commitment
<b>POTENTIAL ATP CYCLE 3 PROJECTS FROM 2015 CALL FOR PROJECTS*</b>									
City of Downey	Downey BMP Phase 1 Downtown/Transit Class II Implementation	x	x	x	x	x	TBD	x	x
City of Glendale	Glendale-LA Riverwalk Bridge/Active Transportation Facility	x	x	x	x	x	TBD	x	x
City of Hawthorne	Hawthorne Boulevard Mobility Project - Phase 2	x	x	x	x	x	TBD	x	x
City of Lancaster	Medical Main Street	x	x		x	x	TBD	x	x
City of Long Beach	1st Street Pedestrian Gallery	x	x		x	x	TBD	x	x
City of Long Beach	Artesia - Great Boulevard	x	x	x	x	x	TBD	x	x
City of Long Beach	Atherton Bridge & Campus Connections	x	x		x	x	TBD	x	x
City of Los Angeles	Beverly Boulevard, Vermont Avenue to Commonwealth Avenue Pedestrian Improvements	x	x	x	x	x	TBD	x	x
City of Los Angeles	Complete Streets Project for Colorado Boulevard in Eagle Rock	x	x		x	x	TBD	x	x
City of Los Angeles	LANI - Santa Monica Boulevard Improvement Project	x	x	x	x	x	TBD	x	x
City of Los Angeles	Melrose Avenue-Fairfax Avenue to Highland Avenue Pedestrian Improvements	x	x		x	x	TBD	x	x
City of Pasadena	Lake Avenue Gold Line Station Pedestrian Access Improvements	x	x		x	x	TBD	x	x
City of Pomona	Pomona ATP Phase 2 Bicycle Network for Community Assets	x	x	x	x	x	TBD	x	x
City of Santa Clarita	Dockweiler Drive Gap Closure	x	x		x	x	TBD	x	x
County of Los Angeles	Bike Aid Stations	x	x		x	x	TBD	x	x
<b>POTENTIAL ATP CYCLE 3 PROJECTS WITH EXISTING METRO BOARD COMMITMENT</b>									
City of Los Angeles	Taylor Yard Los Angeles River Bicycle/Pedestrian Community Connector	x	x	x	x	x	x	TBD	x
Metro	Metro Bike Share Expansion, Equity, and TAP Innovation	x	x	x	x	x	TBD	TBD	x
Metro	Rail to River Segment B	x	x	x	x	x	TBD	TBD	x



ACTIVE TRANSPORTATION PROGRAM CYCLE 3										
Potential Projects Evaluation										
		ATP-Specific Criteria			Mutual Criteria				Metro-Specific Criteria	
		Safety - project reduces fatalities & injuries & addresses hazards	Health - project improves health outcomes	Benefit to DAC, % of funds spent there, direct meaningful benefits**	Increases usage of bicycle/pedestrian facilities	Consistency with Metro sustainability and active transportation policies	Project readiness	Local Match	Metro Board commitment	
Metro	Union Station Master Plan Stage 1 Forecourt improvements	x	x	x	x	x	x	TBD	x	
Metro	Union Station Master Plan Stage 1 Los Angeles Crossing	x	x	x	x	x	x	TBD	x	
POTENTIAL PROJECTS THAT IMPLEMENT METRO'S ACTIVE TRANSPORTATION PLANS AND POLICIES										
TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	

\*Includes projects from all modes, except for Transit Capital, with \$1 million or greater programmed in Fiscal Years 2019, 2020, and 2021.

\*\* Preliminary assessment of benefit to disadvantaged community (DAC) is based on CalEnviroScreen 2.0 score of project area



## Board Report

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File #: 2016-0047, File Type: Resolution

Agenda Number: 21.

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### PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 17, 2016

**SUBJECT: AUTHORIZE CEO TO EXECUTE GRANT AGREEMENT FOR BLUE LINE  
FIRST/LAST MILE PLAN**

**ACTION: ADOPT RESOLUTION**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) or designee to execute an agreement with the **State of California for Active Transportation Program (ATP) grant funds for the Metro Blue Line First/Last Mile Plan.**

#### **ISSUE**

Metro applied for and was awarded an Active Transportation Program (ATP) Cycle 1 grant of \$280,000 for the Blue Line First / Last Mile Plan. The California Transportation Commission (CTC) allocated the grant funds in October 2015.

#### **DISCUSSION**

After the allocation of the grant funds by the CTC in October 2015, the State of California Department of Transportation (Caltrans) is requesting a Board-approved resolution identifying the Blue Line First / Last Mile Plan and the Metro official authorized to execute the agreement. The attached resolution would authorize the CEO or designee to execute an agreement with the State of California for the Blue Line First / Last Mile Plan.

#### **FINANCIAL IMPACT**

The FY16 budget includes \$50,000 in Cost Center 4340, Project 400227 for consultant procurement upon adoption of the resolution. This is a reimbursable grant program whereby Metro would be reimbursed for the funds.

Since this is a multi-year program, the Cost Center Manager and Chief Planning Officer will be responsible for budgeting in future years.

Impact to Budget

The source of funds is Proposition A, C, and TDA Administration which is not eligible for bus and rail operating and capital expenditures.

**ALTERNATIVES CONSIDERED**

The Board could decide to not adopt the resolution. This alternative is not recommended because Metro would be unable to execute an agreement, access the grant funds or complete the Blue Line First / Last Mile Plan.

**NEXT STEPS**

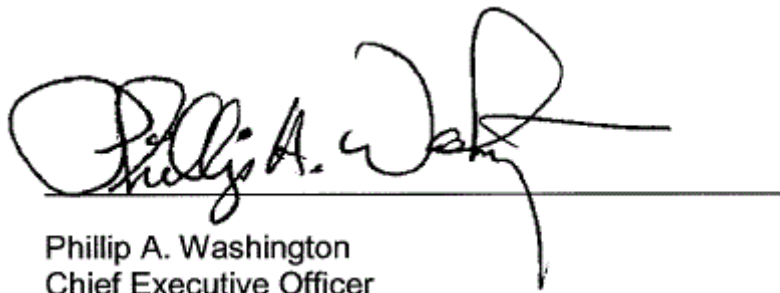
If approved, staff would work to have an agreement executed to begin the Blue Line First / Last Mile Plan.

**ATTACHMENTS**

Attachment A - Resolution

Prepared by: Katie Lemmon, Transportation Planning Manager, (213) 922-7441  
Jacob Lieb, Transportation Planning Manager, (213) 922-4132  
Diego Cardoso, Executive Officer, (213) 922-3076

Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



Phillip A. Washington  
Chief Executive Officer

**RESOLUTION**

WHEREAS, the State of California has provided Active Transportation Program (ATP) funds for the Metro Blue Line First / Last Mile Plan in the amount of \$280,000; and

WHEREAS, the California Transportation Commission allocated the ATP funds for the Metro Blue Line First / Last Mile Plan in October 2015; and

WHEREAS, the State of California requires a certified authorizing resolution to enter into an agreement for the ATP funds for the Metro Blue Line First / Last Mile Plan;

NOW, THEREFORE, BE IT RESOLVED that the Los Angeles County Metropolitan Transportation Authority (Metro) authorizes the Chief Executive Officer (CEO) or designee to conduct all negotiations, execute and submit all documents which may be necessary for receiving ATP funds for the Metro Blue Line First / Last Mile Plan.

Approved and adopted the \_\_ day of February 2016. I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the Los Angeles County Metropolitan Transportation Authority.

**CERTIFICATION**

The undersigned duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority certifies that the foregoing Resolution was approved, by a majority vote of all members of the Board of Directors, at a regular meeting of the Los Angeles County Metropolitan Transportation Authority.

DATED: \_\_\_\_\_

\_\_\_\_\_

Michele Jackson, Metro Board Secretary



**Board Report**

**File #:** 2016-0025, **File Type:** Agreement

**Agenda Number:** 24.

**PLANNING AND PROGRAMMING COMMITTEE  
FEBRUARY 17, 2016**

**SUBJECT: EL MONTE TRANSIT CENTER RETAIL SPACE LEASE**

**ACTION: AUTHORIZE EXECUTION OF LEASE AGREEMENT WITH BEYOND FOOD MART, INC.**

**RECOMMENDATION**

AUTHORIZE:

- A. the Chief Executive Officer (CEO) to execute a five-year (5-year) **Lease Agreement, including an option to extend the term for three (3) additional five-year periods, with Beyond Food Mart, Inc. (Beyond) for the operation of a retail business at the El Monte Transit Center** at an average first year annual lease rate of \$1.63/square foot or approximately \$51,000; and
- B. the new net revenue generated to be applied to the Risk Allocation Matrix savings.

**ISSUE**

Metro staff released a Request for Proposals for a retail operator for the El Monte Transit Center. Two responses were received. Of those, Beyond, the recommended vendor, offered the most advantageous revenue arrangements as well as the most relevant experience.

Approval of the Lease Agreement requires board approval.

**DISCUSSION**

In May 2015, Metro staff released a Request for Proposals for a retail operator to design, develop, finance and operate a retail business that provides goods and services to patrons at the El Monte Transit Center. Two responses were received and one of the proposers withdrew its proposal prior to the evaluation of proposals by Metro staff.

Metro staff conducted a technical evaluation of the remaining proposal. Based on this analysis, the proposal submitted by Beyond was determined to provide excellent value to Metro with all factors

considered.

Beyond proposes to design, develop, finance and operate a convenience store retail business in approximately 2,620 square feet of the space as shown on Attachment "A". The tenant will construct approximately \$750,000 in tenant improvements.

The principals of Beyond have extensive experience building and operating convenience store retail businesses. They having constructed and operated 35 stores nationwide. This location will be the first in the San Gabriel Valley. Beyond has one (1) location in full operation in Riverside County and plans to open eleven (11) store locations within the next six (6) to eighteen (18) months in Riverside County, San Bernardino County and the state of Arizona.

### Revenue Proposal

The term of the proposed Lease is five (5) years with an option to extend the term for three (3) additional five-year (5-year) periods. Beyond will pay Metro an average rent of Four Thousand Two Hundred Fifty-Seven Dollars (\$ 4,257) per month rent or \$1.63/ square feet in the first year of the lease term. The rent graduates to Six Thousand Seven Hundred Eighty-Five Dollars (\$6,785) per month or \$2.59/ square foot per month by the fifth year of the lease term.

The electrical and plumbing systems are located in separate parts of the building and are not stubbed to the premises. Landlords typically stub the utilities to the premises for the tenant as part of the landlord work prior to the tenant constructing the tenant improvements. Metro will reimburse the tenant for the approved actual costs to stub the electrical and plumbing systems to the premises. This work is estimated to cost approximately \$30,000. Metro will also credit the tenant with approximately \$66,000 or \$25 / square foot toward the cost of tenant improvements which will be amortized over the first two (2) years of the lease term.

There were no available comparable retail lease spaces (in shell and core condition) in the area. Improved retail spaces are being offered for lease at rates ranging from \$1.00/ square foot to \$2.15/ square foot. The proposed average first year lease rate of \$1.63/ square foot is considered reasonable considering the tenant's proposed investment in tenant improvements.

The Lease Agreement is expected to generate a minimum of \$348,000 in new general fund revenue to Metro over the five-year term of the Lease Agreement. The project will also provide a convenience amenity to Metro patrons. A summary of the proposed terms of the Lease Agreement is included in Attachment "B."

### DETERMINATION OF SAFETY IMPACT

This Project will not have any impact on safety.

### FINANCIAL IMPACT

The El Monte Transit Center Retail Lease is expected to generate a minimum of \$348,000 in new general fund revenue over the five-year term of the Lease Agreement. Funds are available in Cost

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Center 0651 Project 306006 to reimburse the tenant for stubbing the electrical and plumbing systems to the premises. These funds are eligible for bus and rail operations.

Impact to Budget

Adoption of the recommended action will have no impact to the FY 16 budget for Bus Operations.

**ALTERNATIVES CONSIDERED**

The alternative is to not approve the Lease Agreement. This alternative is not recommended because this project is expected to produce \$348,000 in additional revenues over the five-year term of the Lease Agreement.

**NEXT STEPS**

CEO finalizes and executes a Lease with Beyond, subject to County Counsel approval as to form. Beyond constructs tenant improvements and begins operations. The remaining process is expected to take eight (8) months to ten (10) months depending on permitting.

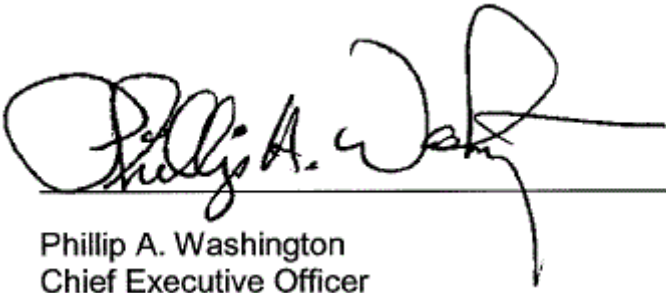
**ATTACHMENTS**

Attachment A - Preliminary Space Plan

Attachment B - Summary of Lease Agreement Key Terms

Prepared by: Thurman Hodges, Director, Real Property Management and Development  
(213) 922-2435  
Velma C. Marshall, Deputy Executive Office Real Estate (213) 922-2415

Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



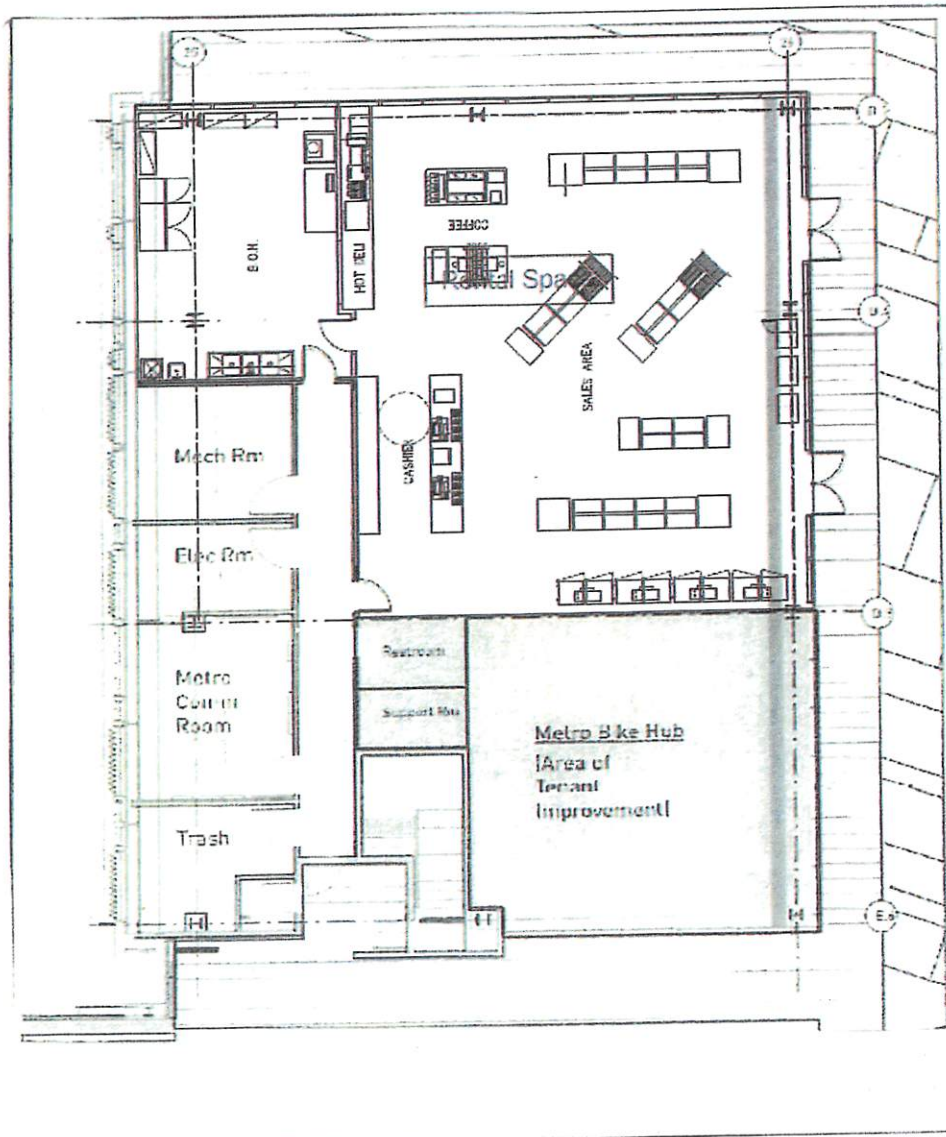
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Phillip A. Washington  
Chief Executive Officer



The following are floor plans for an upscale convenience store concept of Beyond Food Marts.

Convenience Store Floor Plan  
El Monte



ATTACHMENT A  
PRELIMINARY SPACE PLAN



## ATTACHMENT B

### SUMMARY OF LEASE AGREEMENT KEY TERMS

Project	The Project is to design, develop, finance and operate a convenience retail store for the sale of convenient food items, retail merchandise, lottery sales, TAP passes, as well as any other traveler services only.
Premises	The lease premises consist of approximately 2,620 square feet of unimproved space in the building at the El Monte Transit Center and a to be determined square feet of outdoor seating area.
Term	The term of the Lease Agreement is five (5) years commencing on the date that the project is constructed and ready for operation.
Option to Extend Lease Term	Tenant has an option to extend the term for three (3) additional five-year (5-year) periods.
Rent	Tenant will pay Metro an average rent of Four Thousand Two Hundred Fifty-Seven Dollars (\$4,257) per month rent or \$1.63/ square feet in the first year of the lease term.
Rent Credits	Metro will credit Tenant approximately \$66,000 toward the cost of tenant improvements amortized over the first two (2) years of term of the lease.
Reimbursement	Metro will reimburse the Tenant for the approved actual costs to stub the electrical and plumbing systems to the Premises.
Maintenance, Repairs and Services	Tenant shall, at its sole costs and expense, maintain, repair and provide all required services to the Premises.
Indemnification	Tenant agrees to indemnify and hold the LACMTA harmless from all claims, liabilities and damages resulting from use of the site.



## Board Report

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File #: 2016-0007, File Type: Program

Agenda Number: 26.

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**PLANNING AND PROGRAMMING COMMITTEE  
FEBRUARY 17, 2016**

**SUBJECT: TWENTY-FIVE YEAR REAL ESTATE LICENSE AGREEMENT WITH THE CITY OF PASADENA**

**ACTION: APPROVE LICENSE**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to execute a **twenty-five (25) year license agreement (License) with the City of Pasadena (City) allowing the City to use that portion of the Metro property situated between Green Street and Holly Street in Old Pasadena and lying above the Metro Gold Line's subterranean improvements**, as depicted on Attachment A (License Property), for pedestrian, bicycling use and other purposes consistent with these uses.

**ISSUE**

The City and Metro are currently parties to a month-to-month license agreement covering the License Property. This agreement allows the City to use the License Property for pedestrian and bicycling purposes and for other purposes that are consistent with these uses, such as: (a) outdoor dining and café uses, (b) farmers' markets, (c) filming, and (d) special events and other community related uses. The City is prepared to invest approximately \$1.2 million to improve and beautify the License Property, but will not invest these funds, without a long-term agreement from Metro.

**DISCUSSION**

The License Property is currently unlit and asphalt-paved, providing an unwelcoming environment for pedestrian use, bicycling or outdoor dining. The City's proposed \$1.2 million capital investment will improve and beautify the License Property, giving it an appearance more in keeping with the other pedestrian ways in Old Pasadena. The intent is that these improvements will spur third party use of the License Property for outdoor dining and other compatible uses, adding to the corridors vitality. The proposed improvements include: pedestrian and bicycle pathways, potted plants, lighting, seating areas and a drainage system.

The City's plans for improvements have been reviewed and approved by Metro. The City has selected its construction contractor for the proposed improvements and the City is awaiting execution of the License before awarding the construction contract. The construction will be monitored by and coordinated with Metro Program Management and Metro Construction Safety. The City plans to construct the proposed improvements during the first 12 months of the License.

In exchange for allowing the City to use the License Property, Metro will receive the following:

- An annual amount equal to Fifty (50%) of all gross receipts earned by the City during each year of the License term that are in excess of \$35,000 in constant (i.e., CPI-adjusted) dollars.
- Advertising and marketing benefits through various mediums within the City as follows:
  - a) Eighteen (18) to twenty-seven (27) (depending on location) City-provided, advertising display cases in five (5) City-controlled parking garages for Metro's exclusive use;
  - b) Advertising space in all Pasadena Area Rapid Transit buses for at least two (2), non-contiguous ledger-sized advertisements;
  - c) Up-to-date Metro marketing information and links to Metro's website on appropriate web pages on the City's website;
  - d) The continued inclusion of Metro's public transit system route information on the City's printed and electronic versions of the City's transit system maps;
  - e) Distribution of Metro marketing and public transit system information at City community and civic events;
  - f) Cooperation with Metro to include Metro marketing material as part of all City advertisements in printed publications and other media outlets as appropriate to facilitate the use of public transportation; and
  - g) Dedication to Metro of 10% of the City's annual allocation of advertising time and display space on bus shelters within the City.

### Findings

The City of Pasadena has done extensive engineering and planning to comply with Metro's standards for use of property above Metro's Gold Line operations.

### Considerations

Metro staff surveyed the area where the parcels are situated to see if there was opportunity for a competitive solicitation. The Metro Gold Line's underground facilities and their configuration preclude extensive development of the License Property. Outdoor use of the License Property by adjoining property owners in conjunction with the City's proposed improvements is an appropriate use of the License Property.

### **DETERMINATION OF SAFETY IMPACT**

Approval of this item will have no impact on safety standards or Metro Rail Operations. The construction of the pedestrian alley improvements will be monitored by Metro Construction Management and Construction Safety.

### **FINANCIAL IMPACT**

Authorization of this item would have limited fiscal impact to the agency. There is potential for Metro to receive fifty percent (50%) of any revenue earned by the City in excess of \$35,000 in constant (i.e.,

CPI-adjusted) dollars.

Impact to Budget

Funding for joint development activities is included in the FY16 budget under Project 610011. Other support costs needed to negotiate the proposed transaction are budgeted in Project 401200. These General Fund revenues are eligible for bus and rail capital expenses. The License will require the City to pay, over the License term, all taxes and assessments imposed against Metro property situated in the City.

**ALTERNATIVES CONSIDERED**

The Board could choose not to take the recommended action. Staff does not recommend this alternative because the City of Pasadena's proposed use is a transit supporting use of the property, given its limited development potential. In addition, approval of the License will allow the City to invest \$1.2 million in the currently underutilized License Property, allowing it to contribute to the economic vitality of the surrounding community. The City's improvement plans have been reviewed and approved by Metro staff.

**NEXT STEPS**

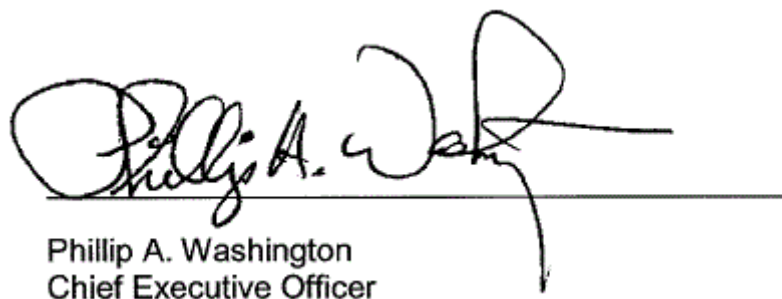
Upon approval of the recommended actions, staff will complete and execute the License.

**ATTACHMENTS**

Attachment A - Plat of the License Property - Old Pasadena Right-of-Way

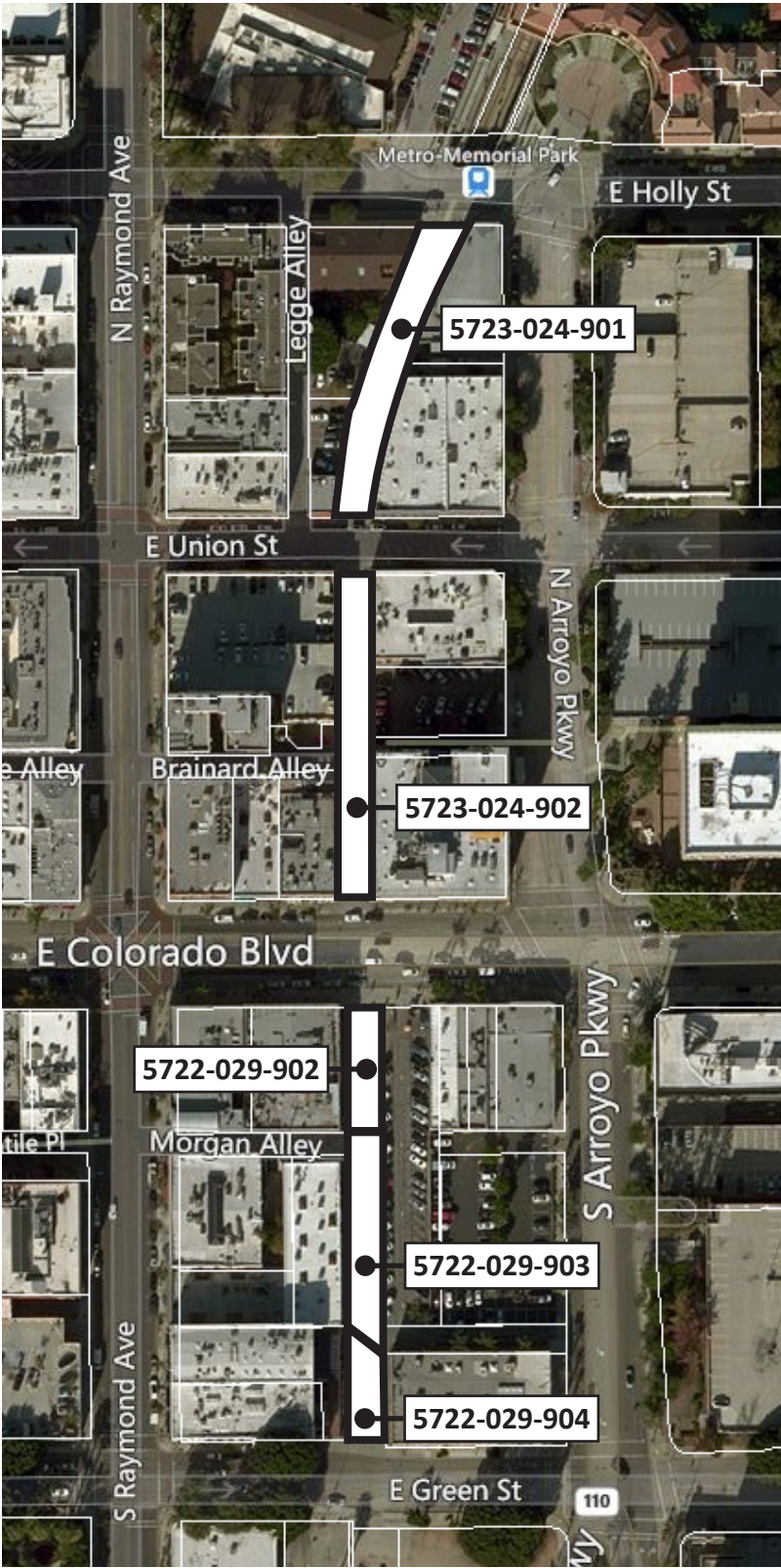
Prepared by: Linnea Berg, Transportation Planning Manager, (213) 922-2815  
Jenna Hornstock, Deputy Executive Officer, (213) 922-7437

Reviewed by: Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



Phillip A. Washington  
Chief Executive Officer

LICENSE PROPERTY - Old Pasadena Right-of-Way



The License Property consists of that portion of the Old Pasadena Right of Way lying above the top of the Metro Gold Line's subsurface structure and comprising the following Assessor's Parcels (shown shaded in white):

- 5723-024-901;
- 5723-024-902;
- 5722-029-902;
- 5722-029-903; and
- 5722-029-904



Board Report

File #: 2015-1784, File Type: Appointment

Agenda Number: 35.

**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE**  
**FEBRUARY 18, 2016**

**SUBJECT: MEMBERSHIP ON METRO SERVICE COUNCIL**

**ACTION: APPROVE NOMINEES FOR APPOINTMENT TO METRO SERVICE COUNCIL**

**RECOMMENDATION**

APPROVE nominees for membership on Metro’s Gateway Cities Service Council.

**ISSUE**

Each Metro Service Council is comprised of nine Representatives that serve a term of three years; terms are staggered so that the terms of three of each Council’s nine members expire annually on June 30. Incumbent Representatives can serve additional terms if re-nominated by the nominating authority and confirmed by the Metro Board.

**DISCUSSION**

Metro seeks to appoint Service Council members reflective of the demographics of each respective region. The 2010 Census demographics of each of the Service Council regions are as follows:

% Sector Total	Hispanic	White	Asian	Black	Other	Total Pop
SGV	50.0%	19.9%	24.9%	3.3%	2.0%	100.0%
SFV	41.0%	42.0%	10.7%	3.4%	2.9%	100.0%
South Bay	42.5%	23.8%	12.0%	18.3%	3.4%	100.0%
Westside/Central	43.5%	30.7%	13.0%	10.0%	2.8%	100.0%
Gateway Cities	63.9%	16.7%	8.5%	8.6%	2.3%	100.0%
Service Area Total	48.5%	26.8%	14.0%	8.2%	2.6%	100.0%

The individuals listed below have been nominated to serve by the Council’s appointing authority. If approved by the Board, these appointments will serve the remainder of the seats’ three-year terms as indicated. A brief listing of qualifications for the new nominees is provided along with the nomination letter from the nominating authority:

- A. Lori Woods, Gateway Cities Service Council, New Appointment  
Nominated by: Gateway Cities Council of Governments  
Term Ending: June 30, 2019

- A. David Armenta, Gateway Cities Service Council, New Appointment  
Nominated by: Gateway Cities Council of Governments  
Term Ending: June 30, 2017
  
- A. Samuel Peña, Gateway Cities Service Council, New Appointment  
Nominated by: Gateway Cities Council of Governments  
Term Ending: June 30, 2017

The demographic makeup of the Gateway Cities Service Council with the appointment of these nominees will consist of four (4) White members, four (4) Hispanic members, and one (1) Black member as self-identified by the members in terms of racial/ethnic identity. The gender breakdown of the Council will be seven (7) men and two (2) women.

### **DETERMINATION OF SAFETY IMPACT**

Maintaining the full complement of representatives on each Service Council to represent each service area is important. As each representative is to be a regular user of public transit, and each Council is composed of people from diverse areas and backgrounds, this enables each Council to better understand the needs of transit consumers including the need for safe operation of transit service and safe location of bus stops.

### **FINANCIAL IMPACT**

There is no financial impact imparted by approving the recommended action.

### **ALTERNATIVES CONSIDERED**

The alternative to approving these appointments would be for these nominees to not be approved for appointment. To do so would result in reduced effectiveness of the Service Council, as it would increase the difficulty of obtaining the quorum necessary to allow the Service Council to formulate and submit their recommendations to the Board. It would also result in the Service Council having less diverse representation of their service area.

### **NEXT STEPS**

Staff will continue to monitor the major contributors to the quality of bus service from the customer's perspective, and share that information with the Service Councils for use in their work to plan, implement, and improve bus service in their areas and the customer experience using our bus service.

### **ATTACHMENTS**

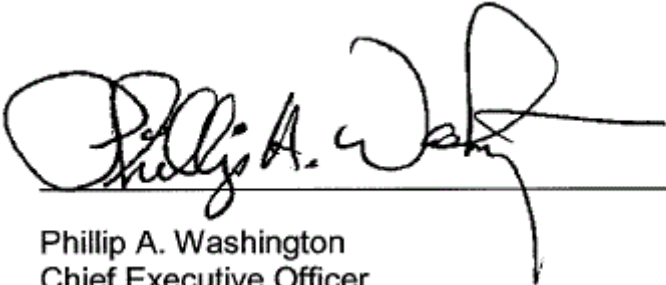
- Attachment A - New Appointees Biographies and Qualifications
- Attachment B - Appointing Authority Nomination Letter

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Prepared by: Jon Hillmer, Executive Officer of Service Development, Scheduling & Analysis,  
(213) 922-6972

Gary Spivack, Deputy Executive Officer, Metro Service Councils, (213) 922-1241

Reviewed By: James Gallagher, Chief Operations Officer, Executive Office, Transit Operations



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Phillip A. Washington  
Chief Executive Officer



**NEW APPOINTEES BIOGRAPHIES AND QUALIFICATIONS**

**David W. Armenta, Nominee for Gateway Cities Service Council**



David W. Armenta moved at age 14 to Pico Rivera, where he attended Burke Jr. High School and El Rancho High School in 1968. A graduate of Rio Hondo College, Mr. Armenta also holds a Bachelor's Degree in Business Administration from the University of Redlands and a Master's Degree in Public Law & Contracts from Northrop University Law Center. In 2001, Mr. Armenta founded Armenta & Associates, a municipal consulting company to help local governments, public agencies and private business.

Mr. Armenta was first elected to the Pico Rivera City Council in 2001. In that role, he was appointed to represent the City as a member of the League of California Cities, South East Area Animal Control Authority, Sanitation Districts of Los Angeles County and California Joint Powers Insurance Authority. He has also participated in the development of two transit needs assessments that have yielded two demand response systems (Dial-A-Ride & Dial-A-Cab) services and a fixed route system for the Pico Rivera community.

**Samuel A. Peña, Nominee for Gateway Cities Service Council**



Samuel Peña is currently employed as a Municipal Relationship Manager for Republic Services, a position he has held since 2008. In that role, he works with Area Recycling Manager to develop effective public education methods and collateral materials. He attends community meetings and assists Republic's customer service department as a field account representative, working with service recipients in order to solve service or billing issues that may arise.

Mr. Peña is a former mayor of Maywood, California. Mr. Peña was elected to the Maywood City Council in 1999 and was the city's mayor in 1999-2003 and in 2005-2006. He was also Chair of the Maywood Redevelopment Agency in 2003-2005 and City Clerk from 1993-1999. Mr. Peña holds a Bachelor's degree in Political Science from UCLA, and is a Community Certified Transportation Manager from the National Community Transportation Association of America.

### **Lori Y. Woods, Nominee for Gateway Cities Service Council**



Lori Woods was elected to Signal Hill City Council in March 2013, and is currently serving as the City's Vice Mayor. She also represents the City of Signal Hill as its representative in the California Contract Cities Association, I-710 Project Committee, and the California Joint Powers Insurance Agency. Vice Mayor Woods is a long-time Signal Hill resident. She and her husband, Lance, are raising their four children in Signal Hill. Among her daily activities is running a family-based business in product manufacturing as well as home schooling her children. Ms. Woods is a graduate of Tennessee Temple University, Chattanooga, TN with a degree in Office Administration. She currently holds a California Real Estate Sales License. Her professional work experience includes 5 years with the County of Orange Job Training Partnership Act and 8 years in property management.

APPOINTING AUTHORITY NOMINATION LETTER

SOUTHEAST LOS ANGELES COUNTY



GATEWAY CITIES  
COUNCIL OF GOVERNMENTS

- Artesia
- Avalon
- Bell
- Bellflower
- Bell Gardens
- Cerritos
- Commerce
- Compton
- Cudahy
- Downey
- Hawaiian Gardens
- Huntington Park
- Industry
- La Habra Heights
- La Mirada
- Lakewood
- Long Beach
- Lynwood
- Maywood
- Montebello
- Norwalk
- Paramount
- Pico Rivera
- Santa Fe Springs
- Signal Hill
- South Gate
- Vernon
- Whittier
- County of Los Angeles
- Port of Long Beach

February 3, 2016

Mr. Phillip A. Washington, CEO  
Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, CA 90012

Dear Mr. Washington:

**Nominees for the Metro Gateway Cities Service Council**

Acting in its capacity as the convening coalition of the Metro Gateway Cities Service Council, the Board of Directors of the Gateway Cities Council of Governments has nominated three Service Council members to fill current the vacant seats, which expire June 2017 and June 2019

At its regularly scheduled meeting of February 3, 2016, the Gateway Cities Council of Governments Board of Directors nominated Mr. Samuel Pena to replace Cynde Soto completing the term ending June 30, 2017. The Board also nominated David Armenta, Mayor, City of Pico Rivera to complete the remaining term ending June 30, 2017, and Lori Woods, Vice Mayor, City of Signal Hill, who will complete the remaining term ending June 30, 2016 and the subsequent term ending June 30, 2019. A copy of the nominee's application is enclosed.

We would appreciate your assistance in agendizing the nominations for confirmation by the MTA Board of Directors at the next regularly scheduled meeting.

Sincerely,

Richard Powers  
Executive Director

Enclosure

cc: Mr. David Hershenson, Metro Community Relations Manager

**Board Report**

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**File #:** 2015-1789, **File Type:** Contract

**Agenda Number:** 41.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
FEBRUARY 18, 2016**

**SUBJECT: POWER SWEEPING SERVICES FOR ALL METRO FACILITIES**

**ACTION: APPROVE CONTRACT MODIFICATION**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Contract Modification No. 4 to Contract No. OP33672974, with **Nationwide Environmental Services Inc., for power sweeping services**, to exercise the first one-year option in the amount of \$1,424,850 increasing the total contract value from \$4,275,582 to \$5,700,432 and extending the contract term from June 1, 2016 to May 31, 2017.

**ISSUE**

Under this contract with Nationwide Environmental Services Inc., power sweeping services are provided on a regular basis in accordance with the maintenance schedule and frequencies specified within the contract scope of work. The three year base for this contract will expire on May 31, 2016. The contractor has been providing satisfactory maintenance services.

To continue providing the required power sweeping services, a contract modification is required to exercise option year one extending the period of performance through May 31, 2017.

**DISCUSSION**

Under this contract and option, power sweeping services are provided throughout Metro bus and rail facilities and State Owned Park and Ride (P&R) lots. This includes approximately 64 lots at bus divisions, terminals, locations, and stations, 33 lots at rail system stations and divisions, and 42 State Owned P&R lots.

The services provided under the existing contract and option are based on an aggressive routine maintenance schedule to ensure delivering clean and well maintained parking lots and structures throughout Metro facilities.

**DETERMINATION OF SAFETY IMPACT**

The approval of this item will provide on-going power sweeping services, improve Metro bus and rail facilities overall appearance and cleanliness, and provide prompt response time to ensure delivery of

safe, quality, on-time, and reliable services system-wide.

### **FINANCIAL IMPACT**

Funding of \$118,737.50 under this contract for the remainder of FY16 is included in the FY16 budget in cost center 3367 - Facilities Property Maintenance, account 50308, Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager, project managers, and Executive Director, Maintenance will ensure that the balance of funds are budgeted in future years.

### **Impact to Budget**

The source of funds for this action will come from State and local funding sources and Proposition C 25% that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities. No other sources of funds were considered for this activity because it supports Caltrans P&R lots, and bus and rail operations. This activity is part of the on-going maintenance costs of Metro facilities.

### **ALTERNATIVES CONSIDERED**

Staff considered providing this service with in-house staff. This would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

### **NEXT STEPS**

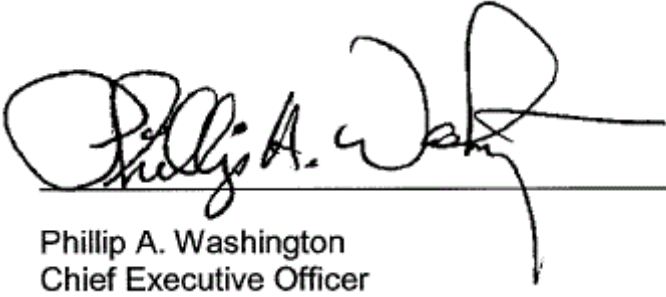
Upon approval by the Board, staff will execute Modification No. 4 to Contract OP33672974 to exercise option year one with Nationwide Environmental Services Inc., effective June 1, 2016, to provide power sweeping services system-wide.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

Prepared by: Brady Branstetter, Director, Facilities Maintenance, (213) 922-6767  
Lena Babayan, Facilities Maintenance Manager, (213) 922-6765  
Chris Reyes, Transportation Planning Manager III, (213) 922-4808

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424  
Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## POWER SWEEPING SERVICES FOR ALL METRO FACILITIES/OP33672974

1.	<b>Contract Number:</b> OP33672974		
2.	<b>Contractor:</b> Nationwide Environmental Services, Inc.		
3.	<b>Mod. Work Description:</b> Exercise Option Year One		
4.	<b>Contract Work Description:</b> Power Sweeping services are provided throughout Metro bus and rail facilities and State Owned Park and Ride (P&R) lots		
5.	<b>The following data is current as of:</b> January 12, 2016		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	6/1/13	<b>Contract Award Amount:</b> \$4,274,550
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modifications Approved:</b> \$1,032
	<b>Original Complete Date:</b>	5/31/16	<b>Pending Modifications (including this action):</b> \$1,424,850
	<b>Current Est. Complete Date:</b>	5/31/17	<b>Current Contract Value (with this action):</b> \$5,700,432
7.	<b>Contract Administrator:</b> Rommel Hilario		<b>Telephone Number:</b> 213-922-4654
8.	<b>Project Manager:</b> Lena Babayan		<b>Telephone Number:</b> 213-922-6765

**A. Procurement Background**

This Board Action is to approve Modification No. 4 to Contract No. OP33672974 issued in support of Facilities Maintenance to continue power sweeping services throughout Metro bus and rail facilities by exercising Option Year One for the amount of \$1,424,850.

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate.

On March 21, 2013, the Board approved a five-year contract, inclusive of two, one-year options, to Nationwide Environmental Services, Inc., the lowest responsive, responsible bidder, to provide power sweeping services for all Metro facilities. The original contract amount consists of \$4,274,550 for the three year base period and \$1,424,850 for the first option year. The period of performance is from June 1, 2013 to May 31, 2017.

(Refer to Attachment B – Contract Modification/Change Order Log)

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon rates that were established as part of the current contract executed on June 1, 2013. According to the Consumer Price Index, similar industries experienced an average of 2.95% increase from December 2014 to December 2015. The rates for this Option Year are the same as the rates the firm has charged Metro during the base three years, with no increase. Therefore, exercising the option is in the best interest of Metro. The contract was a result of a competitive IFB in which the option year pricing was evaluated.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Award Amount</b>
\$1,424,850	\$1,424,850	<b>\$1,424,850</b>



## CONTRACT MODIFICATION/CHANGE ORDER LOG

## POWER SWEEPING FOR ALL METRO FACILITIES/OP33672974

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1.	Revised List of Locations & Schedule of Quantities and Prices Form, and added funding	6/1/13	\$50,232
2.	Revised List of Locations & Schedule of Quantities and Prices Form, and added funding	8/23/13	\$13,200
3.	Revised List of Locations & Schedule of Quantities and Prices Form, and reduced funding	7/1/14	(\$62,400)
4.	Exercise Option Year One	<b>PENDING</b>	\$1,424,850
	<b>Modification Total:</b>		<b>\$1,425,882</b>
	<b>Original Contract:</b>	<b>6/1/13</b>	<b>\$4,274,550</b>
	<b>Total:</b>		<b>\$5,700,432</b>

## DEOD SUMMARY

## POWER SWEEPING SERVICES FOR ALL METRO FACILITIES/OP33672974

**A. Small Business Participation**

The Diversity & Economic Opportunity Department established a 10% Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) for this contract. The DALP was part of the previous race-neutral DBE program and was not a condition of award. Nationwide Environmental Services made a 0.74% DALP commitment. The project is 60% complete and the current DALP participation is 1.69%.

<b>Small Business Commitment</b>	<b>0.74% DALP</b>	<b>Small Business Participation</b>	<b>1.69% DALP</b>
----------------------------------	-------------------	-------------------------------------	-------------------

	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Commitment</b>	<b>Current Participation<sup>1</sup></b>
1.	Patten Energy	African American	0.74%	1.69%
	<b>Total</b>		<b>0.74%</b>	<b>1.69%</b>

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-Date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.

**Board Report**

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**File #:** 2015-1793, **File Type:** Contract**Agenda Number:** 42.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
FEBRUARY 18, 2016****SUBJECT: GRAFFITI ABATEMENT, LANDSCAPE AND IRRIGATION MAINTENANCE, AND  
TRASH AND VEGETATION REMOVAL SERVICES****ACTION: APPROVE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification:

- A. No. 1 to Contract No. OP3635700 with **Parkwood Landscape Maintenance Inc. (Parkwood) for graffiti abatement and trash and vegetation removal services for Region 2 - Metro Gold Line extension**, in the not-to-exceed amount of \$2, 270,905, increasing the base contract value from \$12,599,235 to \$14,870,140.
- B. No. 1 to Contract No. OP3569500 with **Woods Maintenance Services, Inc. (Woods) for graffiti abatement and trash and vegetation removal services for Region 3 - Metro Expo Line extension**, in the not-to-exceed amount of \$3,551,658 increasing the base contract value from \$16,863,892 to \$20,415,550.

**ISSUE**

On September 24, 2015, Metro Board of Directors approved the award of contracts to Parkwood and Woods for Regions 2 and 3 respectively, to provide graffiti abatement, landscape and irrigation, and trash and vegetation removal services throughout Metro-owned active and inactive Right-of-Ways (ROWs) and bus and rail facilities within Los Angeles County. Additional facilities including 42 Caltrans Park-and-Ride lots, Union Pacific (UP) ROWs adjacent to Metro Blue Line and other non-Metro owned properties that are often perceived by the public as Metro properties are also maintained under these contracts.

At the time of the award, the scope of work did not include Metro Foothill Extension in Region 2 and Expo II in Region 3 since these expansion projects were still under construction without anticipated revenue opening dates.

The Metro Foothill Extension revenue operating date is scheduled for March 5, 2016 and Expo II is anticipated to open for service sometime around May 2016. Graffiti abatement and trash and vegetation removal services will be expanded to include these two new rail facilities and stations.

Therefore, contract modifications for the expanded services are required to increase the contract values and ensure sufficient funding for the additional maintenance services effective March 1, 2016 for the Metro Foothill Extension and on or about the revenue service date for the Expo II.

Landscape and irrigation maintenance services for the Metro Foothill Extension and the Expo II will be performed under the initial one year maintenance and warranty period by the installation contractor, outside these regional contracts. In the meantime, staff is developing two separate solicitations to provide routine landscape and irrigation maintenance services upon completion of the initial one year maintenance period for each of the Metro Foothill Extension and the Expo II Lines. These actions are taken in an effort to allow opportunities for competition and attract small business participation.

## **DISCUSSION**

The Metro Foothill Extension is extending the existing Gold Line east from Pasadena. This phase will travel 11.3 miles from Sierra Madre Villa Station to Azusa. It consists of one operating division, six rail stations, five parking lots and 10 Traction Power Substations (TPSS).

The Expo II is extending the Metro Expo Line west to Santa Monica from the Culver City Station. The 6.6 miles of active rail ROW will connect Santa Monica to Long Beach through Downtown Los Angeles. It consists of one (1) operating division, seven (7) rail stations, three (3) parking lots and eight (8) TPSS.

As graffiti abatement and trash and vegetation removal services are expanded to include the Metro Foothill Extension and Expo II, graffiti abatement services will be performed five days per week, removing any graffiti via chemical and/or pressure washing techniques throughout the system, within 24 hours and upon securing track allocation approval to access Metro restricted areas.

The contractors' crews are required to take before and after photos of the vandalized areas for law enforcement before removing graffiti from Metro transit stations, sound walls, retaining walls, bridges, poles, columns, and any other transit structures in accordance with Metro's safety requirements.

Regular graffiti abatement service for Metro facilities is essential to ensure maintaining a safe, clean, and pleasant environment to our patrons. This service will continue our long standing practice of zero tolerance for graffiti system-wide and enhance the overall appearance and cleanliness of Metro facilities while mitigating criminal activities.

The contractors will also provide regular trash and vegetation removal services throughout the Foothill Extension and Expo II facilities and ROWs.

To avoid service interruptions and continue providing these critical maintenance services, contract modifications to increase the contract values are required effective March 1, 2016 for the Metro Foothill Extension and around May 2016 for the Expo II.

## **DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure the continuity of maintenance services, mitigate vandalism activities, enhance Metro-owned ROWs and facilities' overall appearance and cleanliness, and provide a proactive approach to maintenance needs, to ensure delivery of safe, clean, on-time and reliable services system-wide.

### **FINANCIAL IMPACT**

Funding of \$491,318 for this action (\$279,496 for Region 2 and \$211,822 for Region 3) is included in the remaining F16 budget in Cost Center 3367 - Facilities Property Maintenance, Account 50308 - Service Contract Maintenance, under various operating projects.

Metro staff will request additional funds during the FY17 budget development to cover for these expanded services since they were not taken into consideration during the FY16 budget development.

Since this is a multi-year contract, the cost center manager, project managers, and Executive Director, Maintenance will ensure that the balance of funds are budgeted in future years.

### **Impact to Budget**

The source of funds for this action will come from State and local funding sources that are eligible for Bus and Rail Operations. No other sources of funds were considered for this activity because it supports rail operations. This activity is part of the on-going maintenance costs of Metro facilities.

### **ALTERNATIVES CONSIDERED**

Staff considered providing this service with in-house staff. This would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

### **NEXT STEPS**

Upon Board approval, staff will execute contract modifications for Regions 2 and 3 with Parkwood Landscape Maintenance, Inc. under OP3635700, and Woods Maintenance Services, Inc. under OP3569500, respectively, to provide graffiti abatement, and trash and vegetation removal services along the Metro Foothill Extension and Expo II.

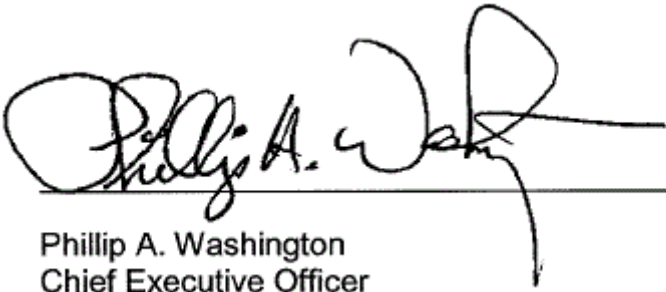
### **ATTACHMENTS**

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - DEOD Summary
- Attachment D - Map Region 2
- Attachment E - Map Region 3

Prepared by: Brady Branstetter, Director, Facilities Maintenance, (213) 922-6767

Lena Babayan, Facilities Maintenance Manager, (213) 922-6765  
Chris Reyes, Transportation Planning Manager III, (213) 922-4808

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424  
Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383



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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**GRAFFITI ABATEMENT, LANDSCAPE AND IRRIGATION MAINTENANCE, AND  
TRASH AND VEGETATION REMOVAL SERVICES/  
REGION 2: OP3635700 & REGION 3: OP3569500**

1.	<b>Contract Number:</b> Region 2: OP3635700 Region 3: OP3569500		
2.	<b>Contractor:</b> Region 2: Parkwood Landscape Maintenance, Inc. Region 3: Woods Maintenance Services, Inc.		
3.	<b>Mod. Work Description:</b> Effective March 2016 and May 2016, graffiti abatement and trash and vegetation removal services will be expanded to include Metro Gold Line Foothill Extension (Region 2) and Expo II (Region 3) facilities and stations, respectively.		
4.	<b>Contract Work Description:</b> The contractors are providing graffiti abatement, landscape and irrigation, and trash and vegetation removal services throughout Metro-owned active and inactive ROWs and bus and rail facilities within Los Angeles County.		
5.	<b>The following data is current as of:</b> January 13, 2016		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	11/15/15	<b>Contract Award Amount:</b> See Attachment B
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modifications Approved:</b> See Attachment B
	<b>Original Complete Date:</b>	9/30/18	<b>Pending Modifications (including this action):</b> See Attachment B
	<b>Current Est. Complete Date:</b>	9/30/18	<b>Current Contract Value (with this action):</b> See Attachment B
7.	<b>Contract Administrator:</b> Rommel Hilario		<b>Telephone Number:</b> 213-922-4654
8.	<b>Project Manager:</b> Shaunt Avanesian		<b>Telephone Number:</b> 213-922-5931

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 1 issued in support of Facilities Maintenance for graffiti abatement and trash and vegetation removal services in Region 2 (Metro Gold Line) and Region 3 (Metro Expo Line).

This contract modification will be processed in accordance with Metro's Acquisition Policy and the contract type is firm fixed unit rate.

On September 24, 2015, the Board approved contracts to Parkwood Landscape Maintenance, Inc. (Region 2) in the amount of \$12,599,235, and Woods Maintenance Services, Inc. (Region 3) in the amount of \$16,863,892 for the base term. The base period of performance for both contracts is from November 15, 2015 to September 30, 2018.

Under these multi-year regional comprehensive services contracts, the contractors provide graffiti abatement, landscape and irrigation, and trash and vegetation removal services throughout Metro-owned active and inactive ROWs and bus and rail facilities within Los Angeles County

The Contract Modification/Change Order Log is provided in Attachment B.

**B. Cost/Price Analysis**

The recommended total price to both the basic contract and the options years has been determined to be fair and reasonable based upon a cost analysis and rates that were established and analyzed as part of the current contract executed on November 15, 2015. The proposed rates for the new work are the same as the rates in the current contract. The basic contract was a result of a competitive negotiated RFP that was recently completed.

**REGION 2 – PARKWOOD LANDSCAPE MAINTENANCE, INC.**

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$2,270,905	\$2,270,905	<b>\$2,270,905</b>

**REGION 3 – WOODS MAINTENANCE SERVICES, INC.**

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$3,551,658	\$3,551,658	<b>\$3,551,658*</b>

\* This amount is based on the anticipated start date of around May 2016 for Expo II.



**CONTRACT MODIFICATION/CHANGE ORDER LOG**

**GRAFFITI ABATEMENT, LANDSCAPE AND IRRIGATION MAINTENANCE, AND TRASH AND VEGETATION REMOVAL SERVICES/  
REGION 2: OP3635700 & REGION 3: OP3569500**

**REGION 2 – PARKWOOD LANDSCAPE MAINTENANCE, INC.**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1.	Graffiti abatement and trash and vegetation removal services will be expanded to include Metro Gold Line (Region 2)	<b>PENDING</b>	\$2,270,905
	<b>Modification Total:</b>		<b>\$2,270,905</b>
	<b>Original Contract:</b>	<b>11/15/15</b>	<b>\$12,599,235</b>
	<b>Total:</b>		<b>\$14,870,140</b>

**REGION 3 – WOODS MAINTENANCE SERVICES, INC.**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1.	Graffiti abatement and trash and vegetation removal services will be expanded to include Expo Line (Region 3)	<b>PENDING</b>	\$3,551,658
	<b>Modification Total:</b>		<b>\$3,551,658</b>
	<b>Original Contract:</b>	<b>11/15/15</b>	<b>\$16,863,892</b>
	<b>Total:</b>		<b>\$20,415,550</b>

DEOD SUMMARY

Graffiti Abatement, Landscape & Irrigation Maintenance, and Trash & Vegetation Removal Services / Contract No. PS11654 Region 2 & Region 3

**A. Small Business Participation**

**Region 2 – Metro Gold Line (Parkwood)**

Parkwood Landscape Maintenance, Inc. made a 22% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) commitment. The project is 3% complete. Current participation is 18.34% SBE and 3.37% DVBE.

<b>Small Business Commitment</b>	<b>22% SBE 3% DVBE</b>	<b>Small Business Participation</b>	<b>18.34% SBE 3.37% DVBE</b>
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	<b>SBE Subcontractors</b>	<b>% Commitment</b>	<b>Current Participation<sup>1</sup></b>
1.	Briteworks, Inc.	11.00%	8.62%
2.	Far East Landscape (Landscape)	5.87%	5.51%
3.	Far East Landscape (Trash Removal)	5.13%	4.21%
	<b>Total SBE</b>	<b>22.00%</b>	<b>18.34%</b>
	<b>DVBE Subcontractors</b>		
1.	IECLT, Inc.	3.00%	3.37%
	<b>Total DVBE</b>	<b>3.00%</b>	<b>3.37%</b>

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to SBE/DVBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**Region 3 – Metro Expo Line (Woods)**

Woods Maintenance Services, Inc. (WMS) made a 24.46% Small Business Enterprise (SBE) commitment. Woods did not make a Disabled Veteran Business Enterprise (DVBE) commitment; was deemed responsive after passing good faith efforts (GFE). The project is 3% complete. Current participation is 25.05% SBE.

<b>Small Business Commitment</b>	<b>24.46% SBE</b>	<b>Small Business Participation</b>	<b>25.05% SBE</b>
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	<b>SBE Subcontractors</b>	<b>% Commitment</b>	<b>Current Participation<sup>1</sup></b>
1.	Briteworks, Inc.	15.55%	14.87%
2.	Far East Landscape	8.91%	10.18%
	<b>Total SBE</b>	<b>24.46%</b>	<b>25.05%</b>

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to SBE/DVBE firms ÷ Total Actual Amount Paid-to-date to Prime.

## **B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) will be applicable on this modification. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$16.04 per hour (\$11.17 base + \$4.87 health benefits), including yearly increases. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

## **C. Prevailing Wage Applicability**

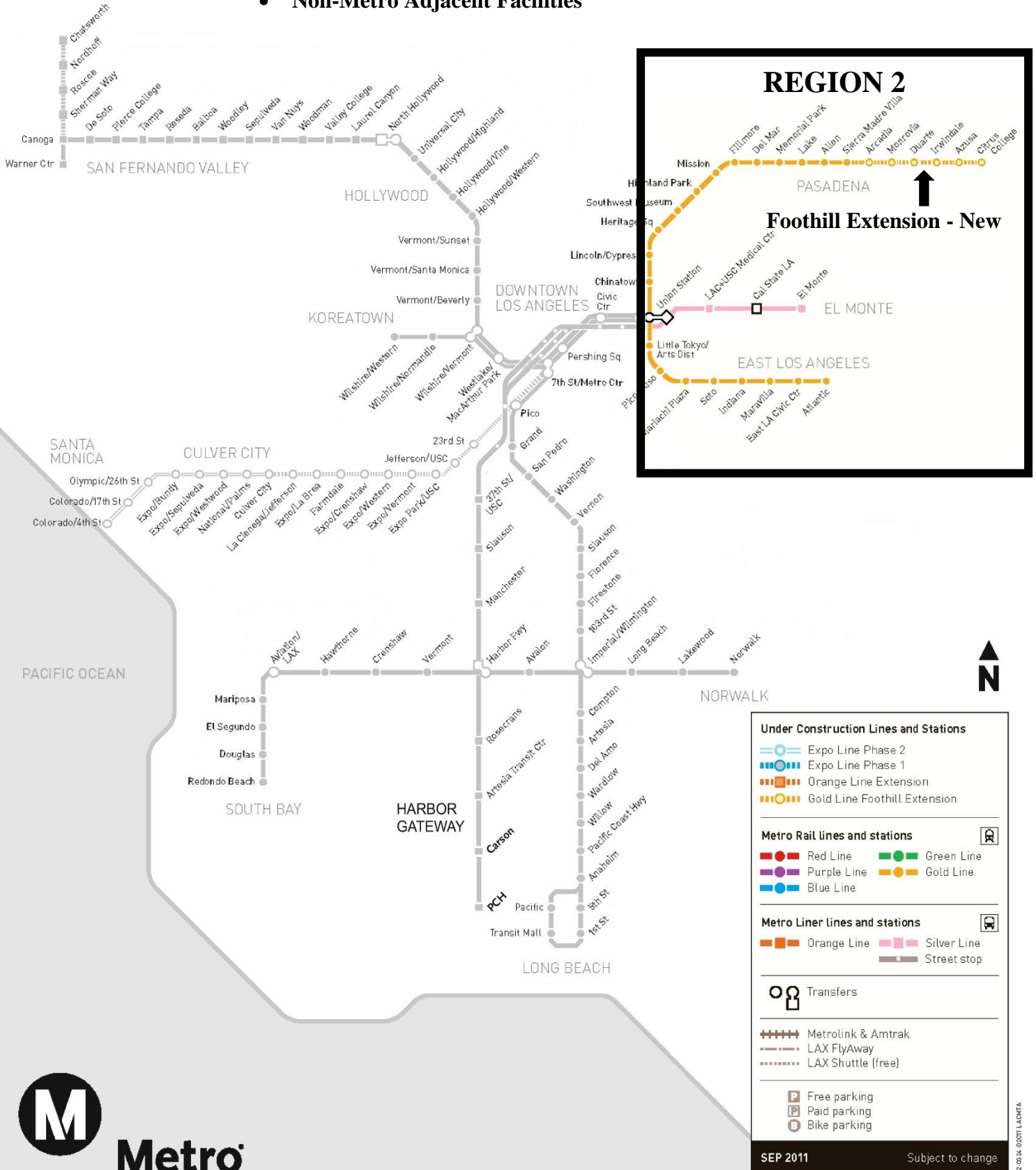
Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

# Go Metro

## REGION 2

metro.net

- Metro Pasadena Gold Line Stations & Active ROW
- Metro Inactive ROWs within the Geographical Area
- Bus and Rail Facilities within the Geographical Area
- Caltrans P&R Lots within the Geographical Area
- Non-Metro Adjacent Facilities

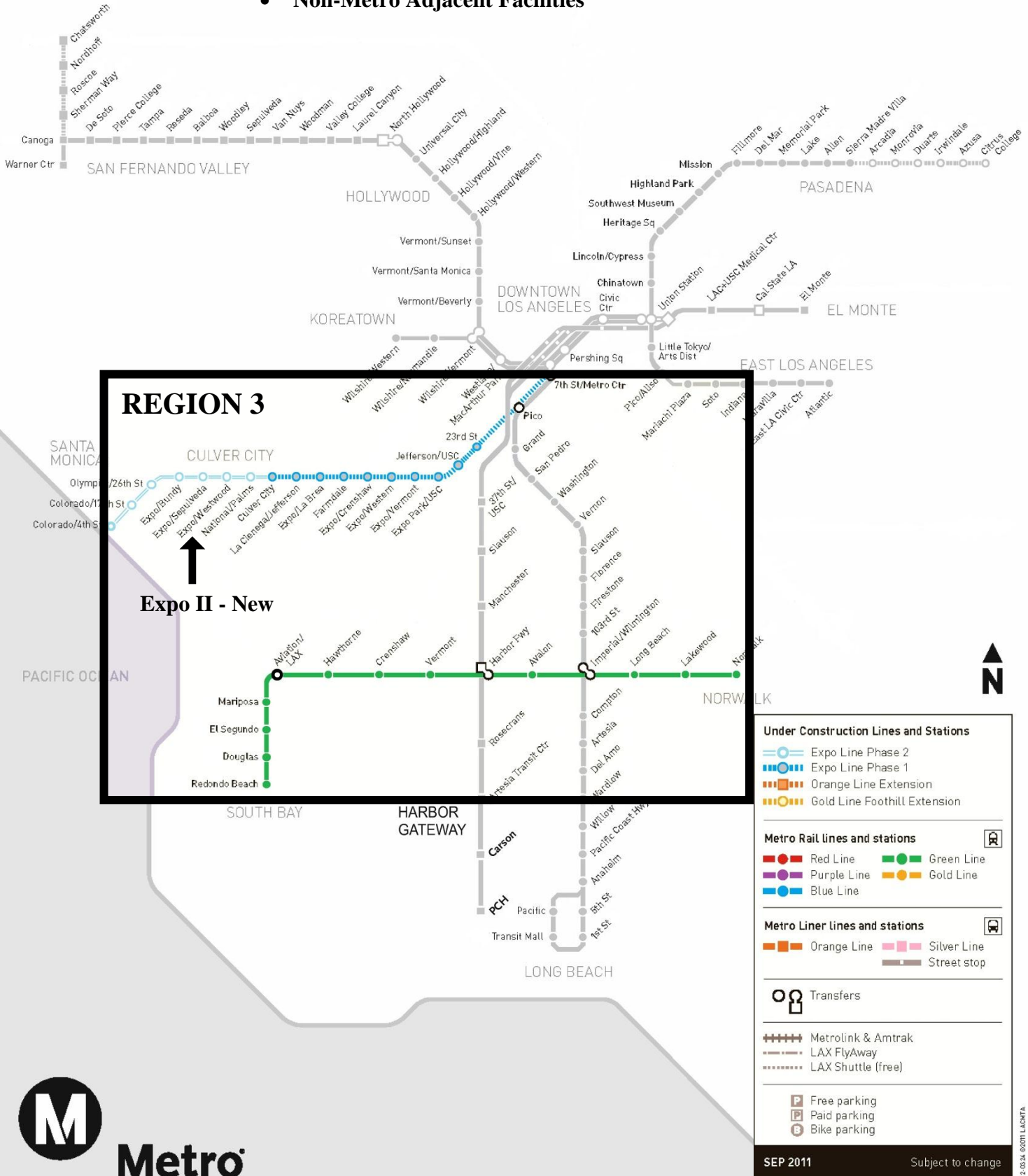


# Go Metro

## REGION 3

metro.net

- Metro Expo & Green Line Stations & ROW
- Metro Inactive ROWs within the Geographical Area
- Bus and Rail Facilities within the Geographical Area
- Caltrans P&R Lots within the Geographical Area
- Non-Metro Adjacent Facilities



**Board Report**

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**File #:** 2015-1778, **File Type:** Contract**Agenda Number:**

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
FEBRUARY 18, 2016****SUBJECT: FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL RIGHTS-OF-WAY, FACILITIES AND PARCEL PROPERTIES****ACTION: APPROVE CONTRACT AWARD****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed unit rate Contract No. OP4056400OP for **Fence Repair and Installation Services for Metro Rail Rights-of-Way, Facilities and Parcel Properties with APW Construction Inc, DBA Ace Fence Co.**, for a not-to-exceed amount of \$1,000,800, for the three-year base period effective April 1, 2016 through March 31, 2019, plus \$343,200 for the first option year, and \$352,800 for the second option year, for a combined total of \$1,696,800.

**ISSUE**

There are multiple types of fencing systems installed on the perimeters of Metro operational and non-operational railroad properties throughout Los Angeles County. Property fences are subject to damage due to vandalism, forced entries, vehicle accidents and natural disasters requiring repair on an as-needed basis.

As Metro continues to upgrade the existing infrastructure, expand its services to include new rail construction stations and facilities, and continuously refine Metro's safety requirements and procedures, timely response to fencing repair and installation is required.

An ongoing fence replacement installation, maintenance, and repair service is necessary for rapid response to emergencies, to prevent endangering lives, protect public properties by restricting access to Metro-owned facilities, and to secure other restricted areas.

Under the existing contract OP3344112821 due to expire March 31, 2016, several necessary as-needed fencing repair and installation services have been provided in support of Metro's construction and maintenance safety related projects. To ensure service continuity providing safe and timely fencing repair and installation services, a new contract award is required effective April 1, 2016.

**DISCUSSION**

In order to meet Metro's security needs, fencing is required on active railroad rights-of-way, electrified railroad yards and traction power substations to prevent the public from accessing these restricted areas and placing themselves at the risk of being hit by trains or electrocuted by third rail or high-power electrical lines.

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Fencing on other Metro rail operating properties and storage yards is necessary to restrict access to trespassers, mitigate illegal dumping, and to protect Metro properties from theft and vandalism.

To avoid service interruption and continue providing safe and timely fencing repair and installation services, a new contract award is required effective April 1, 2016.

**DETERMINATION OF SAFETY IMPACT**

The approval of this item will ensure safe, timely and quality as-needed fencing repair and installation services system-wide.

**FINANCIAL IMPACT**

Funding of \$83,400 under this contract for the remainder of FY16 is included in the FY16 budget within Cost Center 3367 - Facilities Property Maintenance, Account 50308 - Service Contract Maintenance, under various projects.

Since this is a multi-year contract, the cost center manager, project managers, and Executive Director, Maintenance will ensure that the balance of funds is budgeted in future years.

Impact to Budget

The source of funds for this action will come from State and local funding sources that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities.

**ALTERNATIVES CONSIDERED**

Staff considered providing this service with in-house staff. This would require the hiring and training of additional personnel, purchase of additional equipment, vehicles, and supplies to support the expanded responsibility. Staff's assessment indicates this is not a cost-effective option for Metro.

**NEXT STEPS**

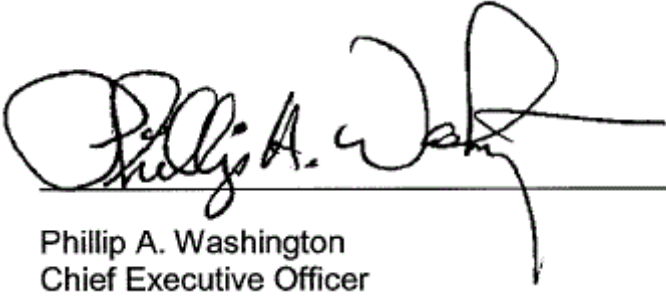
Upon approval by the Board, staff will execute Contract No. OP4056400OP to APW Construction Inc., DBA Ace Fence Co., to provide Fence Repair and Installation Services for Metro Rail Right of Ways, Facilities and Parcel Properties effective April 1, 2016.

**ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

Prepared by: Brady Branstetter, Director, Facilities Maintenance, (213) 922-6767  
Lena Babayan, Facilities Maintenance Manager, (213) 922-6765  
Chris Reyes, Transportation Planning Manager III, (213) 922-4808

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424  
Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383



Phillip A. Washington  
Chief Executive Officer



## PROCUREMENT SUMMARY

## FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL RIGHTS-OF-WAY, FACILITIES, AND PARCEL PROPERTIES/OP4056400OP

1.	<b>Contract Number:</b> OP4056400OP	
2.	<b>Recommended Vendor:</b> APW Construction, Inc., DBA Ace Fence Company	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> RFP <input checked="" type="checkbox"/> IFB <input type="checkbox"/> IFB-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> August 11, 2015	
	<b>B. Advertised/Publicized:</b> August 11, 2015	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> August 18, 2015	
	<b>D. Proposals/Bids Due:</b> September 22, 2015	
	<b>E. Pre-Qualification Completed:</b> September 25, 2015	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> November 19, 2015	
	<b>G. Protest Period End Date:</b> February 25, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b> 13	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Rommel Hilario	<b>Telephone Number:</b> (213) 922-4654
7.	<b>Project Manager:</b> Carlos Martinez	<b>Telephone Number:</b> (213) 922-6761

**A. Procurement Background**

This Board Action is to approve contract award in support of Facilities Maintenance to provide masonry walls, wrought iron, steel picket, welded wire mesh, and chain link fence installation, maintenance, and repair services for all Metro owned rail Rights-of-Way (ROWs), facilities and parcel properties as outlined in Invitation for Bid (IFB) No. OP1617533673491.

The IFB was issued as a competitive procurement in accordance with Metro's Acquisition Policy. The contract type is firm fixed unit price.

Three amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued on August 13, 2015, provided answers to bidders questions;
- Amendment No. 2, issued on August 28, 2015, provided pre-bid conference material including sign-in sheets, planholder's list, and prevailing wage information;
- Amendment No. 3, issued on September 14, 2015, extended the bid due date.

A pre-bid conference was held on August 18, 2015. One bid was received on September 22, 2015.

Metro staff conducted a market survey to determine why there were no other bids received, per the Acquisition Policy. Four firms responded with the following reasons:

1. Potential bidder felt that the SBE goal was too prohibitive.
2. Potential bidder decided that the solicitation process was too burdensome.
3. Potential bidder did not have sufficient resources to submit a bid.
4. Potential bidder arrived 15 minutes after the bid opening and did not submit their bid.

Based on the market survey and further analysis, it was determined that the solicitation was not restrictive and the decisions not to bid were based on individual business considerations as affirmed by the responses. Adequate competition exists as the solicitation was performed in an environment where all bidders believed that competition was available. Therefore, this solicitation can be awarded as a competitive award.

**B. Evaluation of Bids**

This procurement was conducted in accordance, and complies with, the Metro Acquisition Policy for a competitive sealed bid.

One bid was received from the incumbent, APW Construction, Inc., DBA Ace Fence Company. The firm was determined to be responsive, responsible and qualified to perform the required services based on the IFB's minimum requirements and technical evaluation by the Project Manager. Reference checks were conducted which resulted in positive remarks.

**C. Cost/Price Analysis**

The recommended pricing for the contract is fair and reasonable based on the firm's published prices, independent cost estimate, and technical evaluation. The bid unit prices are the same as the unit prices in the current contract.

<b>BIDDER</b>	<b>AMOUNT</b>	<b>METRO ICE</b>	<b>AWARD AMOUNT</b>
Ace Fence Company	\$1,696,800	\$1,761,600	\$1,696,800

**D. Background on Recommended Contractor**

Ace Fence Company originally started in the San Gabriel Valley in 1949, and is currently providing fence repair and maintenance services to Metro. In 1988 the company was acquired by America Tang, who has owned and managed the company until today. Ace Fence Company jobs are comprised of 95% Public Works and 5% Commercial and Industrial work. They are signatory to a collective bargaining agreement with the Southern California District Council of Laborers and

its affiliated locals. The company is one of California's earliest generation of fence contractors, providing engineering expertise in fencing to serve the Southern California community in all their fencing needs. Ace Fence Company has built and maintained a high reputation as a fence leader in the Southern California region, and they serve as fence consultants to many local agencies and major engineering firms. Ace Fence Company services customers from Santa Barbara to San Diego. The firm is certified as an MBE, WBE, SBE, DBE and UDBE. Ace Fence Company is listed in the Top 100 Women Owned Companies in the Los Angeles County since 1990. One of their largest projects was the construction of the electrified fence for the 105 Century Freeway spanning from the 605 Freeway to Los Angeles International Airport. The 34-mile median barrier chain link fence on both sides of the Metro Green Line was installed and completed within 45 days.

DEOD SUMMARY

FENCE REPAIR AND INSTALLATION SERVICES FOR METRO RAIL RIGHTS-OF-WAY, FACILITIES, AND PARCEL PROPERTIES/OP4056400P

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 20% Small Business Enterprise (SBE) goal for this project. APW Construction, Inc., DBA Ace Fence Company, an SBE Prime, exceeded the goal by making a 100% SBE commitment.

<b>Small Business Goal</b>	<b>20% SBE</b>	<b>Small Business Commitment</b>	<b>100% SBE</b>
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	<b>SBE Subcontractors</b>	<b>% Committed</b>
1.	Ace Fence Company (Prime)	100%
	<b>Total Commitment</b>	<b>100%</b>

**B. Living/Prevailing Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.

**Board Report**

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**File #:** 2016-0009, **File Type:** Contract

**Agenda Number:** 44.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
FEBRUARY 18, 2016**

**SUBJECT: BUS PEST CONTROL**

**ACTION: AWARD CONTRACT FOR BUS PEST CONTROL SERVICES**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a five-year, firm fixed unit rate contract, PS4269500 to **ISOTECH Pest Management for bus pest control services** in an amount not-to-exceed \$4,961,610, effective April 1, 2016 through March 31, 2021.

**ISSUE**

Metro operates a fleet of approximately 2,200 buses that are serviced nightly at eleven maintenance facilities. Bus transportation services are provided to a service area of 1,433 square miles with average monthly boardings of over 27,000,000. Due to the large service area and volume of patrons, there is a potential for pests to migrate onto and populate Metro vehicles.

**DISCUSSION**

This contract will provide Metro bus divisions with pest control services for the bus fleet. The objective is to eliminate pest activity using equipment and/or products that target pests in and around their harborage/breeding areas.

Effective pest control services are necessary to provide a clean, safe and sanitary environment for Metro patrons and employees.

Bus pest control services are currently being performed under a contract with ISOTECH Pest Management which is scheduled to expire on March 31, 2016. Pest control services of Metro rail cars and facilities are administered under a separate contract.

**DETERMINATION OF SAFETY IMPACT**

Award of this contract shall ensure that the application of pest control products onboard Metro equipment is performed by a licensed contractor with certified technicians that have the training and experience to safely perform this service.

## **FINANCIAL IMPACT**

Funding of \$248,080 for the new contract is included in the FY16 budget in cost center 3120 Quality Assurance Department, under project 306002, Operations Maintenance and line item 50320, Service Contract Services. Since this is a multi-year contract, the cost center manager and the Executive Director, Maintenance will ensure that the balance of funds is budgeted in future years.

### **Impact to Budget**

The source of funds for this procurement will come from State and local funding sources that are eligible for Bus and Rail Operating or Capital Projects. These funding sources will maximize the use of funds for these activities. No other sources of funds were considered for this activity because it directly supports bus operations. This activity is part of on-going maintenance costs as pest control services are required to provide a clean and sanitary environment.

## **ALTERNATIVES CONSIDERED**

An alternative is to have Metro employees perform these services; however, this is not an acceptable alternative. The application of the required products to effectively eliminate unwanted pests on Metro equipment requires a California State Technician Certification. Metro employees do not possess the necessary state technician certification, equipment or experience to safely and effectively apply the necessary pest control chemicals.

## **NEXT STEPS**

Upon approval by the Board, staff will execute Contract PS4269500 to ISOTECH Pest Management to provide bus pest control services throughout Metro bus facilities effective April 1, 2016.

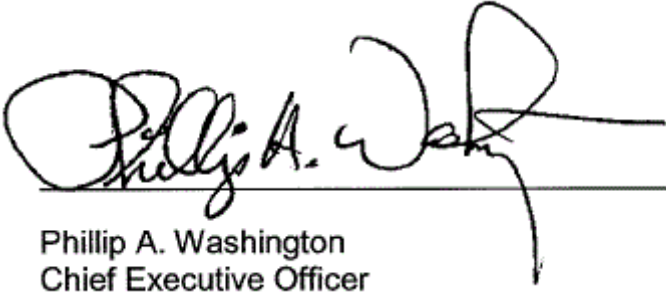
## **ATTACHMENTS**

Attachment A - Procurement Summary

Attachment B - DEOD Summary

Prepared by: James Jimenez, Environmental Compliance & Service Manager, (213) 922-5870  
Matthew Dake, Director of Equipment Maintenance, (213) 922-5797  
Chris Reyes, Transportation Planning Manager III, (213) 922-4808

Reviewed by: James T. Gallagher, Chief Operations Officer, (213) 922-4424  
Ivan Page, Interim Executive Director, Vendor/Contract Mgmt, (213) 922-6383



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## BUS PEST CONTROL/PS4269500

1.	<b>Contract Number:</b> PS4269500	
2.	<b>Recommended Vendor:</b> ISOTECH Pest Management	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> September 29, 2015	
	<b>B. Advertised/Publicized:</b> September 29, 2015	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> October 15, 2015	
	<b>D. Proposals/Bids Due:</b> November 24, 2015	
	<b>E. Pre-Qualification Completed:</b> January 11, 2016	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> December 9, 2015	
	<b>G. Protest Period End Date:</b> February 25, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b> 10	<b>Bids/Proposals Received:</b> 3
6.	<b>Contract Administrator:</b> Rommel Hilario	<b>Telephone Number:</b> (213) 922-4654
7.	<b>Project Manager:</b> James Jimenez	<b>Telephone Number:</b> (213) 922-5872

**A. Procurement Background**

This Board Action is to approve contract award in support of Metro's Quality Assurance Department to perform pest management services for buses at 11 bus divisions and Metro's Central Maintenance Facility as outlined in Request for Proposal (RFP) No. PS18445.

The RFP was issued as a competitively negotiated procurement in accordance with Metro's Acquisition Policy. The contract type is firm fixed unit price.

Five amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on October 9, 2015, provided new SBE/DVBE Contract Compliance Manual and eliminated Good Faith Efforts;
- Amendment No. 2, issued on October 21, 2015, provided pre-proposal conference material which included sign-in sheet, planholder's list, and Metro's Living Wage Policy;
- Amendment No. 3, issued on October 28, 2015, extended the proposal due date and provided a new DVBE certified list;
- Amendment No. 4, issued on November 6, 2015, clarified FORM 054 under Section 5 Bid/Proposal Forms; and
- Amendment No. 5, issued on November 19, 2015, extended the proposal due date to November 24, 2015.



A pre-proposal conference was held on October 15, 2015. A total of three proposals were received on November 24, 2015.

The three proposers are listed below in alphabetic order:

1. ISOTECH Pest Management
2. Orkin
3. Revolution Pest Solutions\*

\* Metro staff determined that the proposal from Revolution Pest Solutions did not meet the SBE/DVBE requirements set forth in the RFP. Subsequently, their proposal was deemed non-responsive and was no longer being considered.

**B. Evaluation of Proposals**

Proposals were evaluated in accordance with the criteria established in the RFP and in compliance with Metro’s Acquisition Policy.

The proposals were evaluated based on the following evaluation criteria and weights:

- Experience and Past Performance 40%
- Methods/Work Plan and Approach for Statement of Work 35%
- Cost Proposal 25%

The evaluation criteria are appropriate and consistent with criteria developed for similar procurements for the Quality Assurance Department. Several factors were considered when developing these weights, giving the greatest importance to the experience and past performance of the proposers.

The PET recommendation for contract award is based on the following scoring summary:

1	FIRM	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>ISOTECH Pest Management</b>				
3	Experience and Past Performance	85.50	40.00%	34.20	
4	Methods/Work Plan and Approach for Statement of Work	84.80	35.00%	29.70	
5	Cost Proposal	100.00	25.00%	25.00	
6	<b>Total</b>		<b>100.00%</b>	<b>88.90</b>	<b>1</b>
7	<b>Orkin</b>				

8	Experience and Past Performance	75.50	40.00%	30.20	
9	Methods/Work Plan and Approach for Statement of Work	71.10	35.00%	24.80	
10	Cost Proposal	76.00	25.00%	19.00	
11	<b>Total</b>		<b>100.00%</b>	<b>74.00</b>	<b>2</b>

**C. Cost/Price Analysis**

The recommended pricing for the contract is fair and reasonable based on adequate price competition and technical evaluation by the Program Manager.

<b>PROPOSER</b>	<b>PROPOSAL AMOUNT</b>	<b>METRO ICE</b>	<b>AWARD AMOUNT</b>
ISOTECH Pest Management	\$4,961,610	\$5,754,327	\$4,961,610
Orkin	\$6,202,013	\$5,754,327	

**D. Background on Recommended Contractor**

ISOTECH Pest Management has been providing pest control services to residential and commercial customers since 2004 and is currently providing very good service to Metro as the incumbent contractor. By the end of 2015, ISOTECH employed over 90 employees that service over 7,500 accounts with revenues over \$12,700,000. ISOTECH has been nationally recognized for its exceptional service quality and leader in the pest management industry. ISOTECH specializes in AIB programs, LEED certification, GREEN pest management, IPM Techniques, and is currently co-developing the next generation of pest management using infrared heaters, microbial remediation, bacteria remediation, allergen and asthma triggers.

DEOD SUMMARY

BUS PEST CONTROL/PS4269500

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 10% Small Business goal inclusive of a 7% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) for this solicitation. ISOTECH Pest Management met the goal by making a 7% SBE and 3% DVBE commitment.

<b>Small Business Goal</b>	<b>7% SBE 3% DVBE</b>	<b>Small Business Commitment</b>	<b>7% SBE 3% DVBE</b>
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	<b>SBE Subcontractors</b>	<b>% Commitment</b>
1.	BriteWorks Inc.	7.00%
	<b>Total SBE Commitment</b>	<b>7.00%</b>

	<b>DVBE Subcontractors</b>	<b>% Commitment</b>
1.	IECLT, Inc.	3.00%
	<b>Total DVBE Commitment</b>	<b>3.00%</b>

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy (LW/SCWRP) will be applicable on this contract. Metro staff will monitor and enforce the policy guidelines to ensure that applicable workers are paid at minimum, the current Living Wage rate of \$16.04 per hour (\$11.17 base + \$4.87 health benefits), including yearly increases. In addition, contractors will be responsible for submitting the required reports for the Living Wage and Service Contract Worker Retention Policy and other related documentation to staff to determine overall compliance with the policy.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.



## Board Report

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File #: 2016-0010, File Type: Contract

Agenda Number: 45.

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### SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE FEBRUARY 18, 2016

**SUBJECT: BUS MIDLIFE AND CENTRAL MAINTENANCE ENGINE REPLACEMENT PROGRAMS**

**ACTION: ESTABLISH A LIFE OF PROJECT BUDGET**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to establish life-of-project budgets for the **Bus Midlife Program CP# 203036** in the amount of \$68,669,900; and the **Central Maintenance Bus Engine Replacement Program CP# 203035** in the amount of \$24,690,300.

#### **ISSUE**

In accordance with Metro's Financial Stability Policies, all new capital projects with requested Life of Project (LOP) budgets greater than \$5 million must be separately approved by the Board in addition to Metro's annual budget approval process. The Bus Midlife and Central Maintenance Bus Engine Replacement projects are and will be recurring programs within Metro's budgets in FY16, FY17, and FY18.

First year funding for these programs is included in the FY16 Adopted budget which was approved on May 28, 2015. A separate follow on Board approval is required to adopt the remaining balance of the multi-year projects for the total life of the project budget.

#### **DISCUSSION**

Staff is requesting approval for an LOP of \$68,669,900 be established to perform 399 bus midlife overhauls under Bus Midlife Program, CP# 203036 and an LOP of \$24,690,300 to perform 178 engine replacements and/or other major repairs under Central Maintenance Bus Engine Replacement Program, CP# 203035.

The Bus Midlife Program was initiated in FY04 to provide heavy preventive maintenance service and in turn, improved performance and reliability of the Metro owned and operated buses. The scope of work includes engine package replacement, fuel cylinder inspection and repair, suspension work,

body repair, painting, and interior refurbishment (including graffiti/vandalism abatement) and wheelchair lift system refurbishment. The bus series to be midlife overhauled and refurbished in this project include 54 NABI 60' articulated 9500 Series buses and 332 NABI 45' composite buses from the 8100 and 8400 bus series. These buses went into revenue service in 2007, 2008 and 2009.

The Engine Replacement Program is intended to replace or repair high mileage engine packages of buses that are now showing wear and repeat engine-related road calls. The bus series to be included in the engine replacement program include but are not limited to the New Flyer 5300 series, NABI 7300 series and NABI 7600 series. Engine types to be repaired or replaced are the Cummins ISLG 8.9, Detroit Diesel Series 50 and Doosan (repair only).

The improved overall condition of vehicles that go through the programs help to maintain the assets in a State of Good Repair for the full life of the asset and reduce major maintenance activities at Metro's Bus Operating Divisions.

The programs promote efficient utilization of Central Maintenance's resources by responding proactively with scheduled midlife production rather than reacting inefficiently to unplanned bus performance problems. The program also enables Central Maintenance to cost effectively manage demand for heavy bus repairs.

### **DETERMINATION OF SAFETY IMPACT**

Approval of the item will have a positive impact on safety as it will result in improving the condition of the transit service assets, improve performance, and in-service reliability.

### **FINANCIAL IMPACT**

Adoption of the Bus Midlife and Central Maintenance Engine Replacement Programs will establish an LOP Budget of \$68,669,900 for the Bus Midlife and an LOP Budget of \$24,690,300 for the Bus Engine Replacement Programs.

Funds of \$10,261,700 have been included in the FY16 budget for CP 203036 Bus Midlife and \$4,003,700 for CP 203035 Central Maintenance Bus Engine Replacement Program.

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Since these are multi-year projects, the cost center manager and Executive Director, Maintenance will ensure that the balance of funds are budgeted in future years.

Impact to Budget

There is no impact to the FY16 budget as this was an anticipated program included in the FY16 Adopted budget. The planned source of funds for these projects comes from local funding source TDA Article 4. TDA-4 is eligible for Bus and Rail Operating or Capital Projects.

**ALTERNATIVES CONSIDERED**

The alternative is not to authorize the life-of-project (LOP) budget for these projects, but this is not recommended by Metro staff because without proceeding with the Bus Midlife and Central Maintenance Bus Engine Replacement Programs, the safety, efficiency and reliability of the buses may be compromised.

**NEXT STEPS**

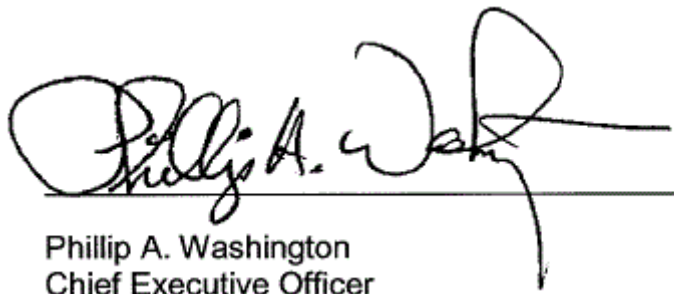
Bus Maintenance will continue the Bus Midlife and Bus Engine Replacement programs..

**ATTACHMENTS**

Attachment A - Midlife and Engine Replacement Programs

Prepared by: Amy Romero, Director of Central Maintenance, (213) 922-5709  
Chris Reyes, Transportation Planning Manager III, (213) 922-4808

Reviewed by:  
James T. Gallagher, Chief Operations Officer



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Phillip A. Washington  
Chief Executive Officer

ATTACHMENT A

MIDLIFE AND ENGINE REPLACEMENT PROGRAMS

**PROJECT 203036 - BUS MIDLIFE PROGRAM**

Uses of Funds	FY16	FY17	FY18				Total	% of Total
ITD & FY16 Anticipated Exp	\$ 10,261.7						\$ 10,261.7	15%
Non-labor Forecast		15,588.0	12,964.9				\$ 28,552.9	42%
Represented Labor Cost		14,418.1	14,674.7				\$ 29,092.7	42%
Non-Represented Labor Cost		195.2	202.0				\$ 397.2	1%
Contingency			364.4				\$ 364.4	1%
Total Project Cost	\$ 10,261.7	\$ 30,201.3	\$ 28,206.0				\$ 68,668.9	100%
Sources of Funds								
TDA Article 4	\$ 10,261.7	\$ 30,201.3	\$ 28,206.0					

**PROJECT 203035 - CENTRAL MAINTENANCE ENGINE REPLACEMENT PROGRAM**

Uses of Funds	FY16	FY17	FY18				Total	% of Total
ITD & FY16 Anticipated Exp	\$ 3,993.6						\$ 3,993.6	16%
Non-labor Forecast		5,654.6	5,537.9				\$ 11,192.5	45%
Represented Labor Cost		4,078.1	4,375.3				\$ 8,453.4	34%
Non-Represented Labor Cost		195.2	202.0				\$ 397.2	2%
Contingency			653.7				\$ 653.7	3%
Total Project Cost	\$ 3,993.6	\$ 9,927.9	\$ 10,768.9				\$ 24,690.3	100%
Sources of Funds								
TDA Article 4	\$ 3,993.6	\$ 9,927.9	\$ 10,768.9					

**Board Report**

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**File #:** 2016-0041, **File Type:** Contract**Agenda Number:** 57.

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**SYSTEM SAFETY, SECURITY AND OPERATIONS COMMITTEE  
FEBRUARY 18, 2016****SUBJECT: INCIDENT BASED SURVEILLANCE SYSTEM****ACTION: AWARD CONTRACT****RECOMMENDATION**

AUTHORIZE:

- A. the Chief Executive Officer to award Contract No. PS4497500 to **SmartDrive Systems Inc. in the amount not-to-exceed \$16,556,545 to provide Incident Based Surveillance System (IBSS) services on Metro's bus and rail fleet from April 1, 2016 to March 31, 2021**; and
- B. the amendment of the FY16 operating budget by \$660,000 upon authorization of the SmartDrive contract; and
- C. the amendment of the FY16 Adopted Budget to add 2 represented full time equivalents (FTE's).

**ISSUE**

The overall mission of Metro's bus and rail system is to ensure Los Angeles transit riders a safe and efficient mode of transportation throughout the greater Los Angeles region. Over the years, significant effort and progress has been made to reduce accidents and vehicle code violations through the initiation of an aggressive bus and rail operator training policy and program. Metro has also implemented technological strategies to improve bus and rail operator training techniques and processes for its employees, as well as refining and improving its operations through careful and diligent accident investigation. The implementation of this IBSS is one of these strategies.

The recommended contract award will allow Metro to continue to maintain its focus on safety and security. Currently, SmartDrive's IBSS is installed on the entire bus fleet as well as twenty-five rail cars on the Blue Line. This new five-year contract will maintain video surveillance services across Metro's bus fleet (approximately 2400 buses) and expand services to up to 518 rail cars by the completion of the five year contract term. The contracted service will provide the recording, timely access, and review of key operational activities in order to maintain and improve the safety and quality of Metro's transit services. Video events are saved and made available to Metro staff. The contract also includes the ability to provide auto-generated alerts via web browser to key personnel during critical events that can be quickly and remotely reviewed at any time.



The IBSS recording device consists of two cameras: one front facing camera (street/track view) and one operator facing camera. The device records video and sound onto digital flash memory, capturing whatever the operator sees and hears. The system is triggered by forward and/or lateral g-forces that are generated during accidents, hard acceleration, sudden stops or sharp curves. The video storage trigger can also be manually activated by an operator using a self-activation button. The unit is constantly recording and overwriting data, but when the device is triggered, the video event is stored to the system's memory which tags 15 seconds prior and 15 seconds post the triggered event for external review and event classification. This before and after triggered event period provides a visual of both the operator and the vehicle's operating conditions prior to the g-force triggered event for determining event cause and effect.

When a bus returns to its home division, the recorded video event files are automatically downloaded from the bus to a server via a secure Wi-Fi connection. The files are then sent to an externally hosted server where they are reviewed and categorized by event types which have been pre-established/developed by Metro. All events that meet Metro's criteria for further review are then made available to Metro staff via a secure web portal for Metro Operations review and validation. Operations staff will review the event as appropriate per an established standard operating procedure. The information is used to identify operator habits that may require operator re-training or counseling. Operator performance may be positively impacted by learning to anticipate and avoid triggering events. The video event is also used to assist Risk Management in determining liability for accidents and is used as key evidence in legal proceedings to defend Metro against lawsuits or to recover costs of collision repairs. A similar process will be followed for rail operations except that video events will be transferred via cellular data connection on a more frequent basis. Video events are generally accessible by Metro for review within 1-4 hours of the event.

New video cameras and related equipment shall be installed and/or replaced by Metro personnel per the current labor agreement. The contractor shall be responsible for the implementation/verification of the managed hosted services, training, scheduling coordination, equipment logistics and data management review. Rail Fleet Services (RFS) will install the system in the rail fleet. RFS will require two additional contract personnel to do this task and to maintain this equipment in the future. Should the maintenance tasks lessen the additional personnel will be appropriately reduced through attrition.

## **DISCUSSION**

In 2008, Metro installed its first IBSS on the bus fleet. The system allows Operations and Corporate Safety staff to review incidents such as accidents to determine culpability and to identify potential training opportunities for staff. The system has proven itself to be a very important element in managing operational claims from a risk management perspective as well as understanding and refining operator training solutions that will enhance operations while reducing legal risk exposure.

Since the installation of the IBSS across the bus fleet, Metro has seen a noticeable reduction in critical vehicle code violations. Clearly, the cause of this decline is multifaceted and includes improvements in training and accountability, but the IBSS has played a key role in these and other safety and operational improvements.

The proof of concept of the IBSS solution for rail has shown clear safety benefits for Metro’s rail operations. There was also a notable reduction of critical observations on the 25 rail cars during the proof of concept period. The tables below describe the year over year benefit over a nine month period for both bus and rail modes. The decrease has been notable and consistent for both bus and rail. The most significant reduction is related to the use of mobile devices and reinforces Metro’s mobile use policy.

Installation of IBSS throughout the rail fleet will be completed within the first year after Board approval. The rail cars require mounting of the cameras as well as running cables to power the equipment. Two full sets of equipment need to be installed on each rail car as they have an operator cab on both ends. Once on the vehicles, the IBSS equipment is maintained by RFS personnel. Metro is recommending that the Board approve two additional Rail Electronic Communications Inspectors in the FY16 budget. These additional employees would provide the necessary support to adequately install and maintain the SmartDrive equipment, thus preventing disruption in service due to insufficient staffing.

**Bus**

Observations	Jan. - Sep. 2013	Jan. - Sep. 2014	% Difference
Speeding	1666	723	-56.6%
Collision	263	239	-9.1%
Mobile	207	33	-84.1%
Railroad Crossings	859	305	-64.5%
Stop Light	1243	1101	-11.4%
Stop Sign	1003	307	-69.4%

**Rail**

Observations	Jan. - Sep. 2014	Jan. - Sep. 2015	% Difference
Collision	11	3	-72.7%
Red Light	8	3	-62.5%
Stop Sign	18	5	-72.2%
Driver Safety Device	11	3	-72.7%
Mobile	2	0	-100.0%
Food	123	54	-56.1%
Drinking	167	65	-61.1%

Some IBSS level benefits achieved in the past 5 years are:

1. The IBSS solution provided timely access to incident video to better understand Metro’s culpability and legal exposure to assess a recommended path forward in resolving potential future claims.

2. The IBSS provided a means to identify operator training deficiencies to help focus on areas of high risk (i.e. operator mobile phone usage has significantly decreased from the period prior to the IBSS installation).
3. The web-based system provides 24/7/365 access to all events (incidents ) which can be accessed by Division and Management staff from any web portal (access controlled) at any time so that Operations staff always has access to time-sensitive information.
4. Video events are filtered by category, so that only relevant incident information (Metro-defined) is captured and managed. This has reduced the unnecessary downloading and review of video (manpower) that have limited value.

### **DETERMINATION OF SAFETY IMPACT**

The IBSS provides a significant safety benefit to Metro operations. The system provides automatic identification of problem areas in operator performance which helps improve operator training. The IBSS solution has had a significant impact in reducing key safety concerns including mobile phone use since its original installation. The IBSS implementation on the Blue Line has also demonstrated a proactive approach in addressing the Board's Rail Red Light Violations and Agency Safety Culture concerns raised by Directors Antonovich, Solis, Ridley-Thomas and Knabe in the form of a Board motion presented at the February 26, 2015 Board Meeting.

### **FINANCIAL IMPACT**

Funding for this service will increase the FY16 budget by approximately \$660,000 through the remainder of the fiscal year. Since this is a multi-year project, the project manager and the Chief Information Officer will be responsible for budgeting the cost in future years.

#### **Impact to Budget**

The funding for this action will be a combination of local operating funds such as Prop A, Prop C, and TDA.

### **ALTERNATIVES CONSIDERED**

The Board may choose to not proceed with the contract award. This option is not recommended based on the positive operational and risk management benefits that have been realized in the form of safer operations, accident reduction, improved safety/training and fault liability verification on accidents as well as cost recovery.

### **NEXT STEPS**

Upon approval of the Board, staff will execute Contract No. PS4497500 with SmartDrive Inc. to provide IBSS services for Metro's bus and rail fleet from April 1, 2016 to March 31, 2021.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - DEOD Summary

Prepared by: Al Martinez, Director, IT Transit Applications (213) 922-2956

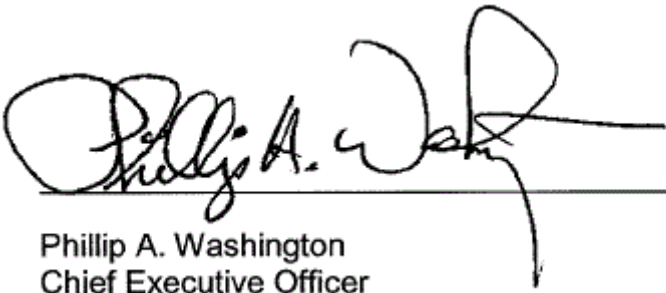
Reviewed by:

Gregory Kildare, Executive Director, Enterprise Risk, Safety & Asset Mgmt - (213) 922-4971

Ivan Page, Interim Executive Director, Vendor/Contract Management - (213) 922-6383

James Gallagher, Chief Operations Officer - (213) 922-4424

David C. Edwards, Chief Information Officer - (213) 922-5510



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## INCIDENT BASED SURVEILLANCE SYSTEM/PS4497500

1.	<b>Contract Number:</b> PS4497500	
2.	<b>Recommended Vendor:</b> SmartDrive Systems Inc.	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input checked="" type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> August 21, 2015	
	<b>B. Advertised/Publicized:</b> August 21 – 23, 2015	
	<b>C. Pre-proposal/Pre-Bid Conference:</b> September 3, 2015	
	<b>D. Proposals/Bids Due:</b> October 29, 2015	
	<b>E. Pre-Qualification Completed:</b> December 11, 2015	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> January 19, 2016	
	<b>G. Protest Period End Date:</b> February 29, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b> 20	<b>Bids/Proposals Received:</b> 1
6.	<b>Contract Administrator:</b> Tamara Reid	<b>Telephone Number:</b> (213) 922-7215
7.	<b>Project Manager:</b> Al Martinez	<b>Telephone Number:</b> (213) 922-2956

**A. Procurement Background**

This Board Action is to approve Contract No. PS4497500 issued in support of Incident Based Surveillance System (IBSS) services on Metro's bus and rail fleet.

The RFP was issued in accordance with Metro's Acquisition Policy and the contract type is a fixed unit rate, not-to-exceed amount.

Three Amendments were issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on September 9, 2015, clarified the project funding source as state/locally funded and extended the due date from September 17, 2015 to October 1, 2015;
- Amendment No. 2, issued on September 11, 2015, provided answers to questions related to the RFP;
- Amendment No. 3, issued on October 1, 2015, extended the due date from October 1, 2015 to October 29, 2015;

On September 3, 2015 a pre-proposal conference was held with five firms in attendance.

A total of one proposal from SmartDrive Systems Inc. (SmartDrive) was received on October 29, 2015.

Metro staff conducted a market survey to determine why no other bids were received per the Acquisition Policy and Procedures Manual. Three firms responded with the following reasons:

1. Potential bidder felt the RFP was a bit out of their scope.
2. Potential bidder downloaded the RFP but chose not to participate.
3. Potential bidder felt that, while they provide multi-camera solutions, the specifications and requirements were not what they provide.

Based on the market survey it was determined that the decisions not to bid were based on individual business considerations as affirmed by the responses. Adequate competition exists as the solicitation was performed in an environment where all bidders believed that competition was available. Also based on the market survey, there is no evidence that a new procurement would result in a different outcome. Therefore, this solicitation can be awarded as a competitive award.

## **B. Evaluation of Proposals**

A Proposal Evaluation Team (PET) consisting of staff from ITS, Rail Vehicle Acquisition and Maintenance, Facilities, Safety and Operations was convened and conducted a comprehensive technical evaluation of the proposal received.

The proposal was evaluated based on the following evaluation criteria and weights:

- |   |            |
|---|------------|
| • Work Plan/Project Approach  | 40 percent |
| • Experience and Qualifications of Proposed Contractor and/or Personnel | 20 percent |
| • Price   | 40 percent |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar procurements.

During the weeks of November 2, 2015, and November 9, 2015, the PET met to discuss SmartDrive's proposal and how well it met the requirements of the RFP. The committee agreed that SmartDrive provided a valid proposal that met all of the requirements of the RFP.

## Qualifications Summary of Firms Within the Competitive Range:

### SMARTDRIVE SYSTEMS INC.

SmartDrive Systems Inc. is a leader of incident-based safety systems. SmartDrive is a provider of video-based safety programs for both bus and rail and their systems are deployed on over 10,000 vehicles across 40 different agencies and transit operators. Since 2009, SmartDrive has supplied Metro with its current video-based surveillance system that is administered over its entire fleet of 2,700 buses and 25 of its railcars.

As a means to ensure customer success and contract compliance, SmartDrive has proposed to implement a customer success team assigned to Metro at the beginning of the project and will work with Metro throughout the implementation of the IBSS for bus and rail solutions. This team will be comprised of a Strategic Program Manager, Customer Success Manager, Field Service Project Manager, Field Service Manager an Authorized Service Provider The members of the Customer Success team are all cross-trained to ensure continuity with service delivery.

Additionally, SmartDrive leverages a variety of key performance indicators to support Metro in measuring the effectiveness of the IBSS for bus and rail programs and manage progress toward lowering risk.

A summary of the Proposal Evaluation Team's evaluations are as follows:

1	Firm	Average Score	Factor Weight	Weighted Average Score	Rank
2	<b>SmartDrive</b>				
3	Work Plan/Project Approach	8.33	40.00%	33.33	
4	Experience and Qualification of Proposed Personnel	9.00	20.00%	18.00	
5	Price	10.00	40.00%	40.00	
6	<b>Total</b>		<b>100.00%</b>	<b>91.33</b>	<b>1</b>

**C. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon a cost analysis performed that included registered GSA rates, MAS audit findings, and historical pricing. As a result of negotiations, SmartDrive lowered its price by 18%. Metro staff successfully negotiated a cost savings of \$3,650,316 from the firm’s proposed amount.

	<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated or NTE amount</b>
1.	SmartDrive Systems Inc.	\$20,206,861	\$21,111,024	\$16,556,545

**D. Background on Recommended Contractor**

The recommended firm, SmartDrive Systems Inc., located in San Diego, California, has been in business since 2004, providing incident-based safety systems. SmartDrive is a provider of video-based safety programs for both bus and rail and their systems are deployed on over 10,000 vehicles across 40 different agencies and transit operators.

Currently, SmartDrive is providing IBSS services across 2,400 of Metro’s bus vehicles and 25 rail cars and their performance is satisfactory.



DEOD SUMMARY

INCIDENT BASED SURVEILLANCE SYSTEM/PS4497500

**A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) established a 10% goal inclusive of a 7% Small Business Enterprise (SBE) and 3% Disabled Veteran Business Enterprise (DVBE) goal for this solicitation. The incumbent Prime, SmartDrive System Inc., exceeded the goal by making a 7.54% SBE and 3.26% DVBE commitment.

DEOD did not recommend a goal on the incumbent contract awarded in 2009. It was determined that there was a lack of subcontract opportunities, because Metro personnel, pursuant to the labor agreement, were responsible for installation. ITS confirmed that the current IBSS project has some minor installation oversight work, which supports the current goal.

<b>Small Business Goal</b>	<b>7% SBE and 3% DVBE</b>	<b>Small Business Commitment</b>	<b>7.54% SBE and 3.26% DVBE</b>
----------------------------	---------------------------	----------------------------------	---------------------------------

	<b>SBE Subcontractors</b>	<b>% Commitment</b>
1.	ESP Enterprises	7.54%
	<b>Total SBE Commitment</b>	<b>7.54%</b>

	<b>DVBE Subcontractors</b>	<b>% Commitment</b>
1.	Pothos	3.26%
	<b>Total DVBE Commitment</b>	<b>3.26%</b>

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.



**Board Report**

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**File #:** 2016-0118, **File Type:** Federal Legislation / State Legislation (Position)

**Agenda Number:** 53.

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**EXECUTIVE MANAGEMENT COMMITTEE  
FEBRUARY 18, 2016**

**SUBJECT: STATE LEGISLATION**

**ACTION: ADOPT STAFF RECOMMENDED POSITIONS**

**RECOMMENDATION**

ADOPT staff recommended positions:

**A. AB 1591 (Frazier) - Transportation Funding SUPPORT**

**B. AB 620 (Hernandez) - Metro ExpressLanes NEUTRAL**

**ATTACHMENTS**

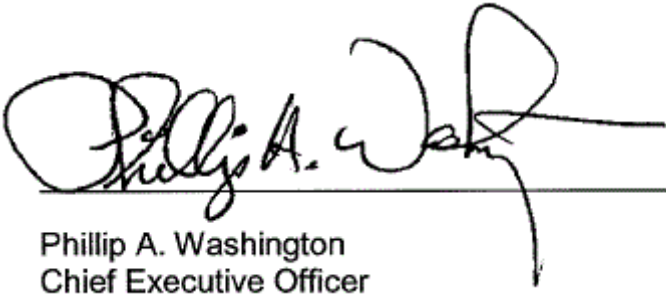
Attachment A - AB 1591 (Frazier) Legislative Analysis

Attachment B - AB 620 (Hernandez) Legislative Analysis

Prepared by: Michael Turner, Executive Director, Government Relations, State Affairs, (213) 922-2122

Desarae Jones, Administrator, Government Relations  
(213) 922-2230

Reviewed by: Pauletta Tonilas, Chief Communications Officer



Phillip A. Washington  
Chief Executive Officer

## ATTACHMENT A

**BILL:** AB 1591

**AUTHOR:** ASSEMBLY MEMBER JIM FRAZIER  
(D- OAKLEY)

**SUBJECT:** TRANSPORTATION FUNDING

**STATUS:** REFERRED TO ASSEMBLY REVENUE AND TAXATION  
COMMITTEE & TRANSPORTATION COMMITTEE

**ACTION:** SUPPORT

### **RECOMMENDATION**

Staff recommends that the Board of Directors adopt a SUPPORT position on AB 1591 (Frazier).

### **ISSUE**

This bill would increase several taxes and fees to fund various transportation programs. The bill could raise approximately \$8 billion per year.

Specifically, AB 1591 would:

- Increase the excise tax on gasoline by 22.5 cents per gallon and index the excise tax to increase based on the Consumer Price Index every three years. These funds, approximately \$3.3 billion per year would be split evenly between the state for highway maintenance purposes and local agencies for street and road repair purposes.
- Increase the diesel excise tax by 30 cents per gallon. This would generate approximately \$840 million per year and be allocated to trade corridors.
- Increase the vehicle registration fee by \$38. This would generate approximately \$1.25 billion and allocate these funds to road maintenance and rehabilitation projects.
- Impose a \$165 fee on electric vehicles. This would generate approximately \$16 million for road maintenance and rehabilitation.
- Require repayment of outstanding transportation loans.
- Increase the percentage of cap and trade funds allocated to the Transit and Intercity Rail Transit Capital Program from 10% to 20%.
- Allocate 20% of cap and trade funds, approximately \$400 million annually to trade corridors.
- Restore truck weight fees to the State Highway Account. This would provide approximately \$1 billion annually for state highway maintenance purposes.

## **DISCUSSION**

Last year Governor Brown called the Legislature into Special Session to address transportation funding. Since that time, legislative leadership in both houses have discussed various ways to address this issue and have offered proposals on how to move forward. Senator Jim Beall, Chairman of the Senate Transportation and Housing Committee introduced SB 16 which could provide a significant source of funds for the maintenance needs of our county and cities partners. Assembly Transportation Committee Chairman Jim Frazier has introduced his proposal in AB 1591.

AB 1591 is a significant effort to address the maintenance needs of our transportation system and staff believes it is important to work with Chairman Frazier to address this challenge. Staff further believes that this bill may serve as a vehicle for a comprehensive transportation funding plan and in that context we believe it is appropriate to address broader needs that exist in the system Staff recommends that the Board support in principle the proposals in AB 1591 and work to support the development of a comprehensive state funding program.

California is also in the process of pursuing a Road User Charge pilot program through the California Transportation Commission. This effort is scheduled to be implemented on a demonstration basis in 2016. This is an important effort for the state and could create a long-term and sustainable funding system. In the meantime; however, it is appropriate to consider an increase in the excise tax as it is still the basic transportation funding system in our state.

Metro Government Relations will continue to work with the Chairman to support the proposal and to ensure its passage to support funding for LA County transportation initiatives.

## **DETERMINATION OF SAFETY IMPACT**

Staff has determined that there is no direct impact to safety as a result of this proposal. If we are able to include a funding component for transit maintenance and system needs in this proposal it can potentially improve safety on our system.

## **FINANCIAL IMPACT**

Staff has determined that with successful passage of this measure, funding for a variety of transportation improvements in the county could become available.

## **ALTERNATIVES CONSIDERED**

Staff considered a neutral position however this would preclude us from working with the author to address the opportunities presented by the bill.

## **NEXT STEPS**

Should the Board adopt staff's recommendation of SUPPORT, staff will work with the author to ensure the inclusion of transit funding as a priority, and support the measure's passage.

## ATTACHMENT B

**BILL:** AB 620

**AUTHOR:** ASSEMBLY MEMBER ROGER HERNANDEZ  
(D-LOS ANGELES)

**SUBJECT:** METRO EXPRESSLANES

**STATUS:** SENATE TRANSPORTATION AND HOUSING COMMITTEE

**ACTION:** NEUTRAL

### **RECOMMENDATION**

Staff recommends that the Board of Directors adopt a NEUTRAL position on AB 620 (Hernandez) as amended.

### **ISSUE**

AB 620 (Hernandez) addresses outreach efforts for the Metro ExpressLanes Low Income Assistance Program. In April 2015, the Metro Board of Directors adopted an OPPOSE position on AB 620 as introduced. The author has amended AB 620 which now would:

- Require LA Metro and Caltrans to continue to increase enrollment and participation in the Metro's current ExpressLanes Low Income Assistance Plan.
- Require LA Metro and Caltrans to report back to the Legislature on its efforts to improve the program by 2018.

### **DISCUSSION**

As amended, AB 620 would require LA Metro and Caltrans to increase outreach efforts and continue to increase enrollment in the Low Income Assistance Program and report back to the State Legislature in 2018 on progress and performance of those efforts. Current law requires Metro to maintain a program that addresses equity issues associated with the ExpressLanes Program, and, that Metro work with affected communities and provides mitigation measures that include reduced toll charges and toll credits to commuters. Metro established the Low Income Assistance Program to address these issues.

Staff worked with Assembly Member Hernandez to address the language of the bill from the date of its introduction and shared information regarding the structure of Metro's existing program and discussed potential negative impacts from the bill. Overall, the goal of Metro's ExpressLanes program is to improve mobility for all commuters in the

two corridors in which the project is located. In the past year, staff has increased outreach and access to Metro ExpressLanes Low Income Assistance Program. Participation has increased by 32 percent in the last year, with over 8,000 participants enrolled in the program.

Staff was successful in communicating the Board adopted OPPOSE position on the bill to the author and State Legislature. Metro staff offered amendments to the bill that would effectively address the author's concerns with Metro's performance in implementing the Low Income Assistance Program that would not jeopardize or negatively impact the administration of that program and the ExpressLanes program overall. The author accepted Metro's proposed amendments and has since amended AB 620 to delete previous language and replace it with language that discusses efforts to increase outreach, and includes the one time reporting requirement in 2018.

### **DETERMINATION OF SAFETY IMPACT**

Staff has reviewed the legislation to identify an impact to safety at Metro and have found that the measure has no negative impacts on safety.

### **FINANCIAL IMPACT**

Staff has reviewed the legislation to identify fiscal impacts and has found that additional data is needed to quantify the impact of the legislation. Metro and Caltrans would experience additional costs to improve outreach for the program and prepare the required report.

### **ALTERNATIVES CONSIDERED**

Staff has considered continuing to oppose the legislation due to previous Board direction. However, as amended, the measure does not significantly change the way the Low Income Assistance Program is currently administered.

### **NEXT STEPS**

Should the Board decide to adopt a NEUTRAL position on this bill, staff will monitor the bill and work with the author to ensure that Metro's priorities are reflected in any future amendments and continue to keep the Board informed as this issue is addressed throughout the legislative session.



**Board Report**

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**File #:** 2015-1790, **File Type:** Contract**Agenda Number:**

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**EXECUTIVE MANAGEMENT COMMITTEE  
FEBRUARY 18, 2016****SUBJECT: EMPLOYEE ASSISTANCE PROGRAM****ACTION: APPROVE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to execute Modification No. 4 to Contract No. PS62502297 with **ComPsych Corporation (ComPsych) to provide Employee Assistance Program (EAP) services** in the amount of \$44,386, thereby increasing the contract value from \$1,076,400 to \$1,120,786. This Contract Modification will also extend the period of performance for up to 3 months from April 1, 2016 to June 30, 2016.

**ISSUE**

Metro EAP is the program that promotes job effectiveness and productivity for all Metro employees and has a workforce focus designed to help employees and their family members cope with problems on the job and in the home.

The existing EAP service Contract No. PS62502297 with ComPsych will expire on March 31, 2016. In June 2015, an RFP for this service was issued. Although three proposals were received, none of them were found responsive to the requirements of the RFP. Therefore, Metro cancelled this procurement on November 18, 2015.

To avoid EAP service interruption, a contract modification is required to extend the period of performance and increase contract expenditure authority while the new procurement processes are completed.

**DISCUSSION**

Metro is committed to providing a safe and healthy work environment for its employees. The Employee Assistance Program is a business tool designed to help employees resolve personal or family concerns that could potentially impair their job performance. The program offers a friendly, accessible and confidential forum wherein licensed professionals identify stressors, explore behavioral changes, and provide support and resources that enable the employee to solve personal problems. Assistance includes child and elder care referrals as well as legal and financial guidance.

The program is a benefit available to all employees and their immediate family members on a voluntary basis, unless the employee is referred on a mandatory basis after a major violation of a Metro policy. Metro and its predecessor agencies have continuously provided an EAP since 1981.

EAP also serves as a resource to managers in dealing with employees experiencing personal problems affecting job performance, conduct, and reliability. EAP interventions act to reduce distress and provide the skills necessary to handle personal and work-related problems more effectively. This comprehensive service also includes crisis management counseling for traumatic events, including immediate intervention following serious bus and rail accidents, and other tragic events that could impact the Metro workforce.

Finally, EAP is a vital component of Metro's overall effort to comply with federal regulations governing the prevention of drug abuse and alcohol misuse in transit operations. Specifically, our EAP provider includes the mandated services of a Substance Abuse Professional (SAP) that are required when an employee tests positive for drugs or alcohol. The primary role of the SAP is to evaluate the employee and coordinate rehabilitation in order to ensure the safety of the traveling public.

### **DETERMINATION OF SAFETY IMPACT**

The Metro Employee Assistance Program will provide the capability to support employees through challenges in multiple areas of their lives, ensuring job effectiveness and improved safety for our employees and patrons.

### **FINANCIAL IMPACT**

Funding of \$44,386 for this contract modification is included in the FY16 budget in Cost Center 6240 (Talent Acquisition), Project 100001 (General Overhead).

#### **Impact to Budget**

These expenses will be allocated across overhead projects per the overhead allocation provisions set forth in the Federal Cost Allocation Plan approved by the FTA.

### **ALTERNATIVES CONSIDERED**

Perform services in-house. This option is not a viable alternative because an in-house EAP program staffed by Metro employees could only provide a limited portion of the needed services and expertise. Contracted services of professionally certified counselors with diverse backgrounds and specializations would still need to be obtained by Metro if the subject services were brought in-house.

Difficulties would also be encountered in serving the multiple locations and large number of family members throughout the local geographic area, as well as overcoming employee concerns about confidentiality issues. Metro has no history or experience with an internal EAP. Metro would not only need to undertake costly recruitment and training of Metro staff to perform these services, but would also assume direct liability for any potential claims of malpractice. This is not a feasible alternative and therefore, is not recommended

**NEXT STEPS**

Upon Board approval, staff will execute Modification No. 4 with ComPsych under the current Contract No. PS62502297 to continue providing EAP services until the replacement contract begins.

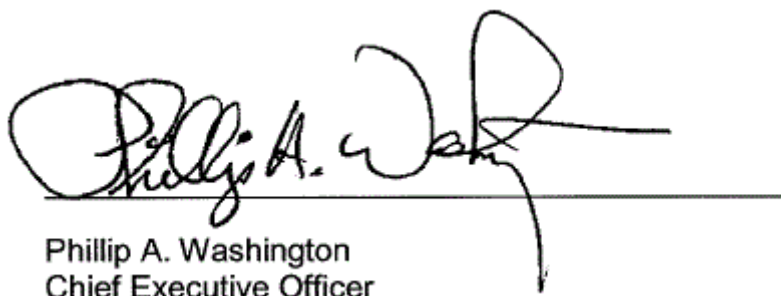
**ATTACHMENTS**

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Log
- Attachment C - DEOD Summary

Prepared by: Gabriela Hernandez, HR Analyst, (213) 922-4867

Reviewed by: Ivan Page, Interim Executive Director, Vendor/Contract Management (213) 922-6383

Donald E. Ott, Executive Director, Employee/Labor Relations  
(213) 922-8864



Phillip A. Washington  
Chief Executive Officer

PROCUREMENT SUMMARY

EMPLOYEE ASSISTANCE PROGRAM/PS62502297

1.	<b>Contract Number:</b> PS62502297		
2.	<b>Contractor:</b> ComPsych Corporation		
3.	<b>Mod. Work Description:</b> Additional Funding and Period of Performance Extension		
4.	<b>Contract Work Description:</b> Employee Assistance Program		
5.	<b>The following data is current as of:</b> 01/20/16		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	6/25/09	<b>Contract Award Amount:</b> \$986,400
	<b>Notice to Proceed (NTP):</b>	N/A	<b>Total of Modifications Approved:</b> \$90,000
	<b>Original Complete Date:</b>	9/30/15	<b>Pending Modifications (including this action):</b> \$44,386
	<b>Current Est. Complete Date:</b>	3/31/16	<b>Current Contract Value (with this action):</b> \$1,120,786
7.	<b>Contract Administrator:</b> Maria V. Lechuga		<b>Telephone Number:</b> (213) 922-7206
8.	<b>Project Manager:</b> Gabriela Hernandez		<b>Telephone Number:</b> (213) 922-4867

**A. Procurement Background**

This Board Action is to approve Modification No. 4 to be issued in support of the EAP for all Metro employees.

This Contract Modification will be processed in accordance with Metro’s Acquisition Policy, and the contract type is a firm fixed unit price.

On June 25, 2009, the Board authorized staff to award a three-year contract, plus three one-year options, for Contract No. PS62502297 with ComPsych, in the total amount of \$986,400 to provide EAP services.

Three modifications have been executed to date.

Refer to Attachment B – Contract Modification/Change Order Log.

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based on adequate competition and cost analysis. The rates offered for the extension are the same as the existing fixed unit rates in the contract that were determined to be fair and reasonable based on adequate price competition as a result of the competitive procurement completed in 2009.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$44,386	\$44,388	\$44,386

**CONTRACT MODIFICATION/CHANGE LOG**

**EMPLOYEE ASSISTANCE PROGRAM/PS62502297**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1	SP-02 Browz Requirements deleted in its entirety	12/20/10	\$0
2	Extend period of performance from September 30, 2015 to December 31, 2015; add funds.	9/9/15	\$45,000
3	Extend period of performance from December 31, 2015 to March 31, 2016; add funds.	11/5/15	\$45,000
4	Extend period of performance from April 1, 2016 to June 30, 2016; add funds.	PENDING	\$44,386
	<b>Modification Total:</b>		<b>\$134,386</b>
	<b>Original Contract:</b>	<b>6/25/09</b>	<b>\$986,400</b>
	<b>Total:</b>		<b>\$1,120,786</b>

DEOD SUMMARY

EMPLOYEE ASSISTANCE PROGRAM / PS62502997

**A. Small Business Participation**

ComPysch Corporation made a 7.42% Disadvantaged Business Enterprise Anticipated Level of Participation (DALP) commitment. ComPysch Corporation's current DBE participation is 4.18%, a shortfall of 3.24%. This project is 90.21% complete. ComPysch explained that DBE subcontractor, Sandra J. Edwards is semi-retired and is no longer working full-time reducing the level of effort originally listed. DBE subcontractor, World Printing's scope of work was reduced because Metro did not require the level of services originally planned for program promotion.

For the pending modification, ComPsych made a commitment to increase World's Printing's scope of work by adding printing services on sports bottles, stress cubes, and sport bags. Based on ComPsych's recovery plan, the overall DBE commitment will be met.

<b>Small Business Commitment</b>	<b>7.42% DBE</b>	<b>Small Business Participation</b>	<b>4.18% DBE</b>
----------------------------------	------------------	-------------------------------------	------------------

	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Sandra J Edwards	African American	4.80%	2.52%
2.	World's Printing	African American	2.62%	1.66%
<b>Total</b>			<b>7.42%</b>	<b>4.18%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this modification.

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.



Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA

## Board Report

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**File #:** 2016-0172, **File Type:** Oral Report / Presentation

**Agenda Number:** 3.

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**REGULAR BOARD MEETING  
FEBRUARY 25, 2016**

Report by the **Chair**.



# CHAIR'S REPORT

Supervisor Mark Ridley-Thomas  
Board Chair  
February 25, 2016





**2016 HOMELESS COUNT**



# METRO INDUSTRY FORUM



**DIVISION 13 GRAND OPENING**



**DIVISION 13 ARTWORK**



**CRENSHAW/LAX LINE**



**CRENSHAW/LAX LINE GROUNDBREAKING**

# We're helping local businesses as we build.

Crenshaw/LAX Transit Project Business Interruption Fund

BUSINESSES OPEN  
DURING CONSTRUCTION

OPEN



**CRENSHAW/LAX LINE**





**CRENSHAW/LAX LINE TUNNEL BORING MACHINE**



Crenshaw/LAX  
Transit Project

metro.net/crenshaw

Crenshaw/LAX  
Community Leadership  
Council (CLC)

LULA  
WASHINGTON  
DANCE THEATRE

LULA  
WASHINGTON  
THEATRE

LULA  
THEATRE

**CRENSHAW/LAX LINE COMMUNITY LEADERSHIP COUNCIL**



**ALMOST HALFWAY THERE!**

# Rediscover Gold.

6 NEW STATIONS  
OPEN MARCH 5.



**Metro**



# CHAIR'S REPORT

Supervisor Mark Ridley-Thomas  
Board Chair  
February 25, 2016



Metro

Los Angeles County  
Metropolitan Transportation  
Authority  
One Gateway Plaza  
3rd Floor Board Room  
Los Angeles, CA



Metro

## Board Report

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**File #:** 2015-1663, **File Type:** Oral Report / Presentation

**Agenda Number:** 60

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**REGULAR BOARD MEETING  
FEBRUARY 25, 2016**

RECEIVE oral report on **Los Angeles World Airports** from Executive Director, Deborah Flint.



*Los Angeles World Airports*

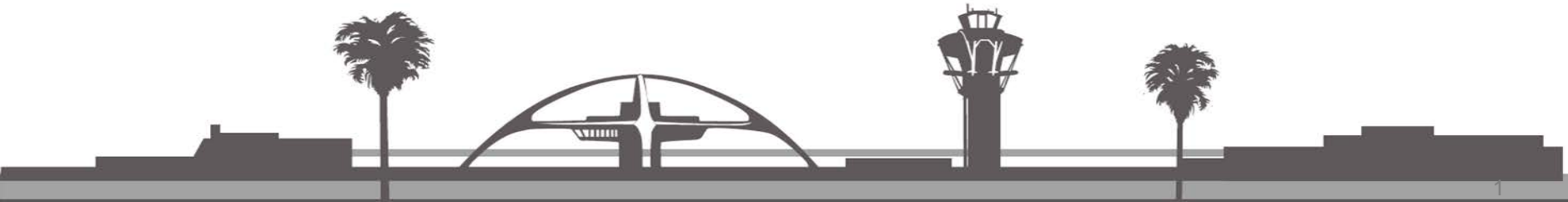


# **LAX Landside Access Modernization Program**

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**METRO Board of Directors**

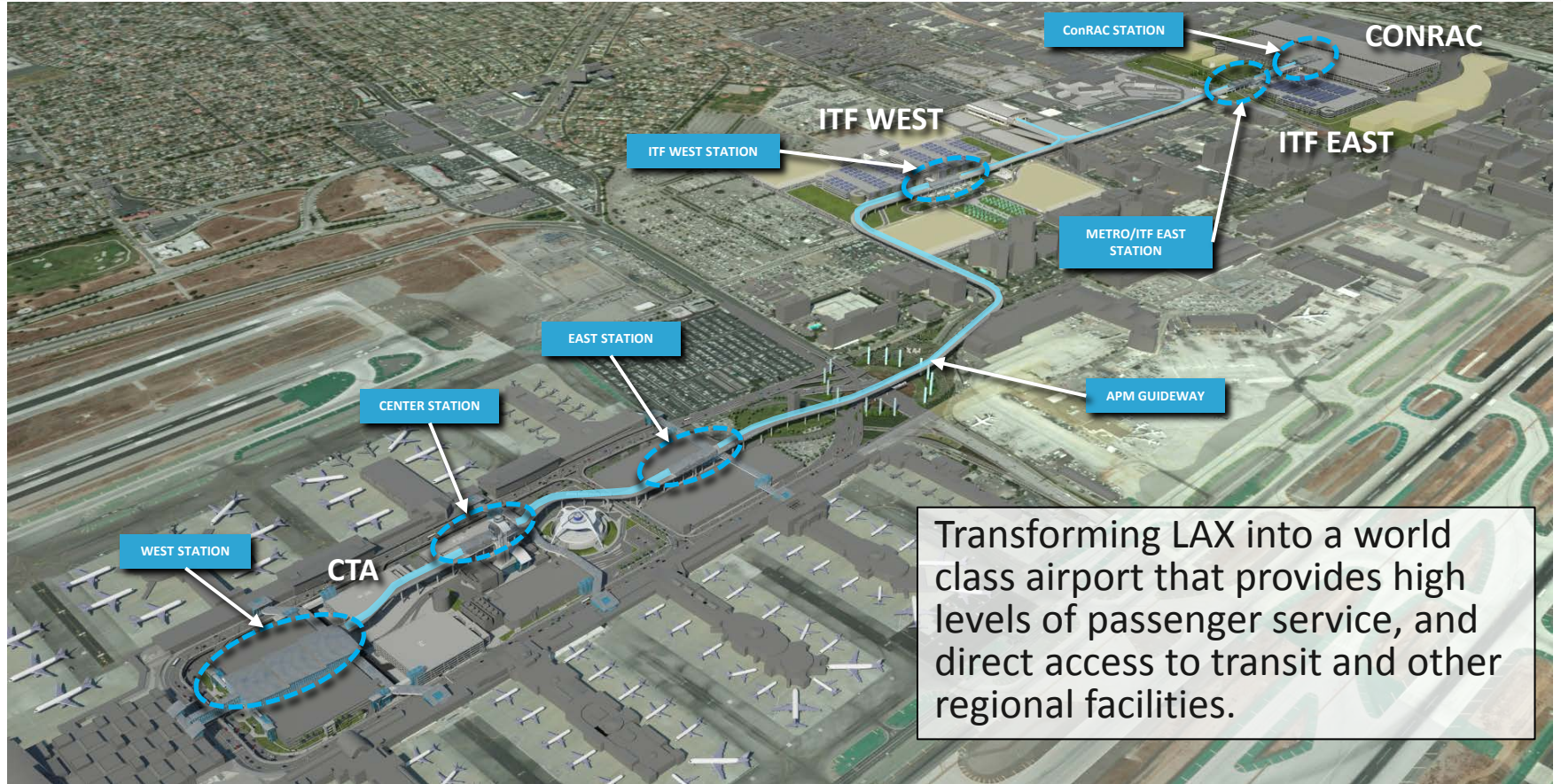
**February 25, 2016**







# Landside Access Modernization Program



# LAMP Procurement Framework

## Procurement Objectives

- Control capital costs
- Expedite delivery (Goal: no later than 2023)
- Capture life cycle cost efficiencies
- Capture economies of scale
- Minimize construction impacts on existing LAX operations

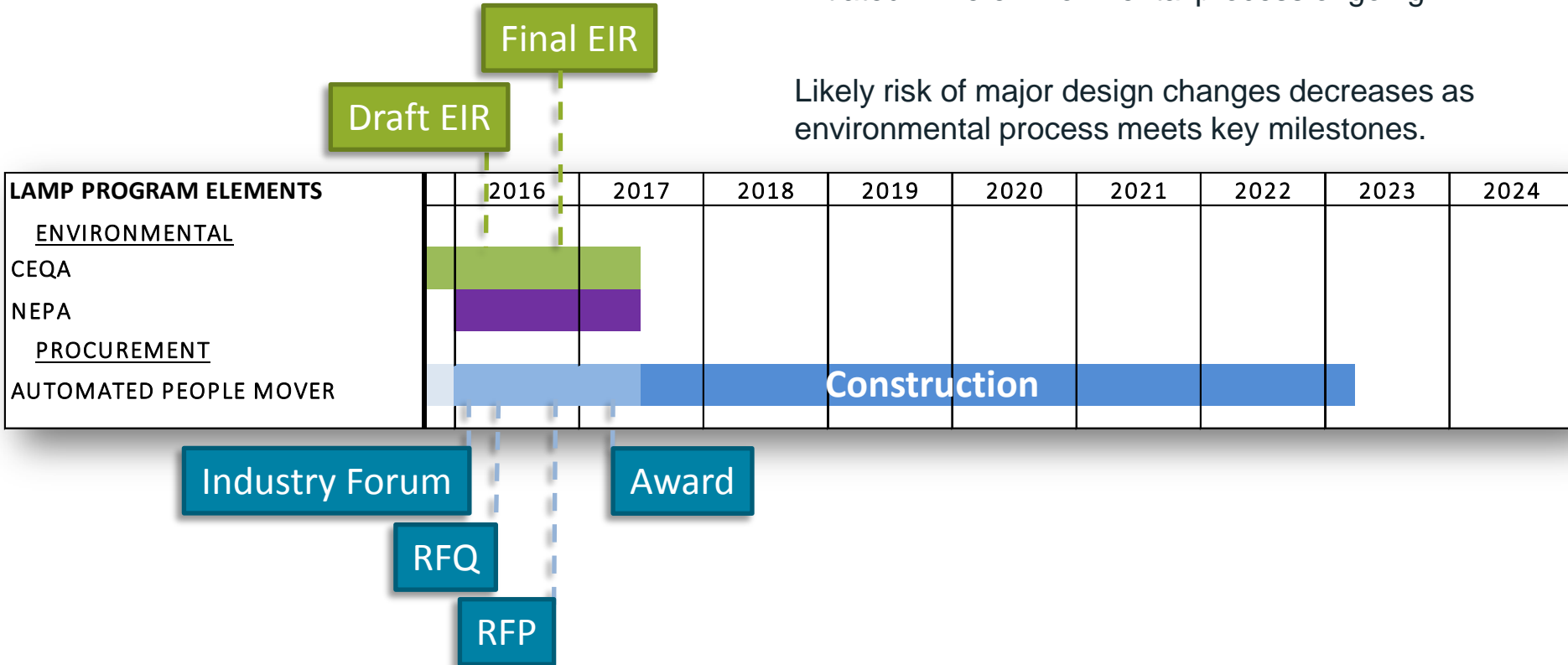
- Staff recommends Design-Build-Finance-Operate and Maintain (**DBFOM**) for the **APM** and **CONRAC** Projects.
- Other Projects may use other delivery/procurement approaches.

Program Element	APM	CONRAC	Transit	ITFs	Roads
Proposed Delivery Methods	<b>DBFOM</b>	<b>DBFOM</b>	Metro	DB or 3 <sup>rd</sup> Party	TBD

# Procurement Timeline

To maintain schedule goals, procurement must be initiated while environmental process ongoing.

Likely risk of major design changes decreases as environmental process meets key milestones.





**Board Report**

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**File #:** 2016-0053, **File Type:** Contract

**Agenda Number:** 22.

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**PLANNING AND PROGRAMMING COMMITTEE  
FEBRUARY 17, 2016**

**SUBJECT: BOB HOPE AIRPORT/HOLLYWOOD WAY METROLINK STATION PROJECT**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to:

- A. Execute Modification No. 9 (within the existing LOP budget) to Task Order No. 01 under Contract PS2415-3024-02, with **HNTB Corporation (HNTB) for the Bob Hope Airport/Hollywood Way Metrolink Station Project** (Project) for additional engineering and to authorize design support during construction (DSDC), in the amount of \$199,457, increasing the contract value from \$1,210,562 to \$1,410,019; and
- B. Increase Contract Modification Authority (CMA) specific to Task Order No. PS2415-3024-02-01, Bob Hope Airport/Hollywood Way Metrolink Station Project, in the amount of \$200,000, increasing the total authorized CMA amount from \$450,000 to \$650,000.

**ISSUE**

The design of the station was awarded to HNTB as a Task Order under the Regional Rail Engineering and Planning Contract Bench No. PS2415-3024. The Project design is complete; however, a few design modifications were required to address requests by the City of Los Angeles Bureau of Street Services (LABSS) and the Southern California Regional Rail Authority (SCRRA). Additionally, DSDC was not included in the original scope of work. Board approval for the Task Order Modification is required for the additional engineering and DSDC.

In December 2015, the Metro Board established a LOP budget of \$8,439,858 for the Project. The LOP budget includes design revision costs, additional bid support, and DSDC. This board action is to enact the changes in HNTB's contract that were envisaged in the LOP increase.

Background

The Bob Hope Airport/Hollywood Way Metrolink Station Project (Project) includes the design and construction of a new Metrolink station on the Antelope Valley Line (AVL) to provide a more convenient connection to the Bob Hope Airport.

Task Order No. PS2415-3024-02-01 was issued to HNTB for the design and bid support of the Project. However, due to delays resulting from coordination with Caltrans to meet Federal Highway Administration (FHWA) grant requirements, HNTB has incurred additional project coordination costs to keep the project moving forward. Furthermore, design revisions were required to accommodate the LABSS San Fernando Road Bike Path project and conduit layout revisions required by SCRRA.

### **DETERMINATION OF SAFETY IMPACT**

The station is being designed in accordance with Metrolink standards and will be compliant with the Americans with Disabilities Act. There are no pedestrian crossings of the existing Metrolink track so no safety impacts are expected.

### **FINANCIAL IMPACT**

The funding for the Project was approved by the Metro Board in December 2015. This request will have no financial impact as the costs of these services are included in the LOP budget.

#### **Impact to Budget**

This request will have no impact to budget as the funds are already included in the FY 16 budget.

### **ALTERNATIVES CONSIDERED**

The Board could choose not to execute Task Order Modification No. 9 to move the Project forward. This alternative is not recommended due to the significant benefits that the Project offers by providing a needed plane-to-train connection.

### **NEXT STEPS**

Upon approval by the Board, staff will execute Modification No. 9 to Task Order No. PS2415-3024-02-01 for additional engineering and design support during construction required for the Bob Hope Airport/Hollywood Way Metrolink Station Project. Procurement for construction will be completed, and Staff will return to the Board for award of construction contract in Spring 2016.

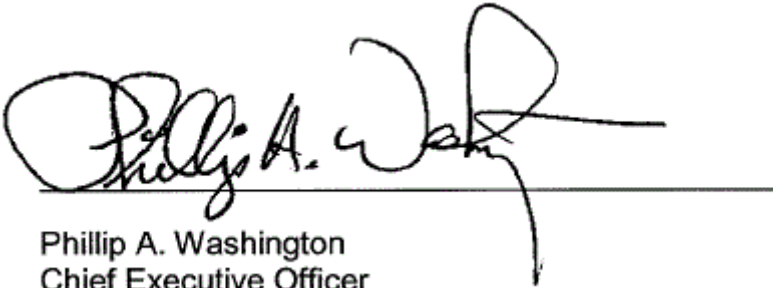
### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Contract Modification/Change Order Log  
Attachment C - DEOD Summary

Prepared by: Don Sepulveda, (213) 922-7491

Reviewed by: Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383

Richard Clark, Executive Director, Program Management  
(213) 922-7557



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## BOB HOPE AIRPORT/HOLLYWOOD WAY METROLINK STATION PROJECT

1.	<b>Contract Number:</b> PS2415-3024-02 Task Order 01		
2.	<b>Contractor:</b> HNTB Corporation		
3.	<b>Mod. Work Description:</b> Additional engineering support and authorize Design Support During Construction services		
4.	<b>Contract Work Description:</b> Professional engineering services		
5.	<b>The following data is current as of :</b> 01/08/16		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	08/15/13	<b>Contract/Task Order Award Amount:</b> \$765,746
	<b>Notice to Proceed (NTP):</b>	08/15/13	<b>Total of Modifications Approved:</b> \$444,816
	<b>Original Complete Date:</b>	08/15/15	<b>Pending Modifications (including this action):</b> \$199,457
	<b>Current Est. Complete Date:</b>	06/30/17	<b>Current Contract\ Task Order Value (with this action):</b> \$1,410,019
7.	<b>Contract Administrator:</b> Ben Calmes		<b>Telephone Number:</b> (213) 922-7341
8.	<b>Project Manager:</b> Kate Amissah		<b>Telephone Number:</b> (213) 922-1203

**A. Procurement Background**

This Board Action is to approve Modification No. 9 to Task Order No. 01 under Contract PS2415-3024-02 for additional engineering support required for this project to revise electrical plans per Metrolink requirements, accommodate the City of Los Angeles bike path, and to provide for design support during construction.

This Task Order Modification was processed in accordance with Metro's Acquisition Policy and the contract/task order type is a firm fixed price. All other terms and conditions remain in effect.

On August 15, 2013, Contract No. PS2415-3024-02 was awarded and Task Order 01 issued to HNTB Corporation, a contractor on the Regional Rail Planning & Engineering Contract Bench, for a firm fixed price of \$765,746.

Refer to Attachment B, Contract Modification/Change Order Log for details on contract modifications to date.



**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon an independent cost estimate, cost analysis, technical evaluation, fact finding and negotiations. All contract direct labor rates remain unchanged from the original contract. Metro staff successfully negotiated a cost savings of \$41,814 from the firm's proposed amount.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$241,271	\$270,000	\$199,457

## CONTRACT MODIFICATION/CHANGE ORDER LOG

BOB HOPE AIRPORT/HOLLYWOOD WAY METROLINK STATION/  
PS2415-3024-02-01

Mod. No.	Description	Date	Amount
1	Additional insurance requirements and pass-through cost.	10/21/13	\$2,933
2	Additional requirements for air quality impact analysis.	04/10/14	\$2,750
3	Additional engineering requirements for traffic analysis; added additional SBE subcontractor.	08/07/14	\$166,815
4	Additional engineering requirements for parking facility.	12/30/14	\$103,997
5	Metro approved changes to task requirements.	01/13/15	\$93,744
6	Extension of period of performance.	08/07/15	\$0
7	Metro approved changes to task requirements.	09/18/15	\$74,577
8	Extension of period of performance.	01/04/16	\$0
9	Authorize additional engineering requirements and design support during construction.	PENDING	\$199,457
	<b>Modification Total:</b>		<b>\$644,273</b>
	<b>Original Contract:</b>	<b>8/15/13</b>	<b>\$765,746</b>
	<b>Total:</b>		<b>\$1,410,019</b>

**DEOD SUMMARY**

**BOB HOPE AIRPORT/HOLLYWOOD WAY METROLINK STATION/  
PS2415-3024-02-01**

**A. Small Business Participation**

HNTB made a 28.54% Disadvantaged Business Enterprise (DBE) commitment. The project is 80% complete and the current DBE participation is 44.99%. HNTB is exceeding their goal commitment.

<b>Small Business Commitment</b>	<b>28.54% DBE</b>	<b>Small Business Participation</b>	<b>44.99% DBE</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Commitment</b>	<b>Current Participation<sup>1</sup></b>
1.	BA, Inc.	African American	9.58%	14.44%
2.	Earth Mechanics	Sub Asian American	2.49%	4.48%
3.	FPL & Associates	Asian Pacific American	10.40%	14.11%
4.	Rail Surveyors & Engineers	Asian Pacific American	6.07%	10.09%
5.	AHBE Landscape Architects	Asian Pacific American	Added	1.87%
	<b>Total</b>		<b>28.54%</b>	<b>44.99%</b>

<sup>1</sup>Current Participation = Total Actual Amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. Living Wage and Service Contract Worker Retention Policy Applicability**

Living Wage is not applicable to this modification.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA). Trades that may be covered include: surveying, potholing, field, soils and materials testing, building construction inspection and other support trades.

**D. Project Labor Agreement/Construction Careers Policy**

The Project Labor Agreement/Construction Careers Policy is not applicable to this project.

**Board Report**

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**File #:** 2016-0062, **File Type:** Contract

**Agenda Number:** 23.

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**PLANNING AND PROGRAMMING COMMITTEE  
FEBRUARY 17, 2016**

**SUBJECT: METRO GOLD LINE EASTSIDE ACCESS- 1<sup>st</sup> AND CENTRAL STATION  
IMPROVEMENT PROJECT**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATIONS**

CONSIDER:

- A. **AUTHORIZING** the Chief Executive Officer (CEO) to award an eighteen-month firm fixed price contract, Contract No. AE439330011938 (RFP No. AE11938), to **Ted Tokio Tanaka Architects in the amount of \$1,793,023 to perform design services and construction support for the 1<sup>st</sup> and Central Station Improvement Project;** and
- B. **APPROVING** Contract Modification Authority specific to Contract No. AE439330011938 in the amount of \$268,954.

**ISSUE**

The Eastside Access Project is a Measure R funded project with a voter approved \$30 million allocation. The funding is intended to improve multi-modal linkages and enhancements from the Gold Line Eastside stations to the surrounding neighborhoods. A portion will be dedicated to the improvements within a one-mile radius of the 1<sup>st</sup> and Central Station of the Regional Connector Rail Line.

During the development of the project, the series of public improvements (including pedestrian, bicycle and streetscape) per Attachment B to improve access within a one-mile radius of the 1<sup>st</sup> and Central Station were identified and included in the Connect US Action Plan. The series of improvements within public Right-of-Way (ROW) were then submitted for consideration and awarded TIGER VI funding of \$11,800,000 by the Federal Transit Administration (FTA) in September 2015 to construct the first and last mile improvements. The project total is \$16,800,000, inclusive of the \$5,000,000 local match.

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To proceed with the 1<sup>st</sup> and Central Station Improvement Project, staff requires design services (preliminary and final design) and construction support to provide assistance to the City of Los Angeles who will construct the improvements within their publicly owned ROW.

## **DISCUSSION**

The Eastside Access Project will use a myriad of urban design techniques to enhance pedestrian connections and bicycle infrastructure along all the stations of the Metro Gold Line, including the 1<sup>st</sup> and Central Station which will replace the existing Little Tokyo/Arts District Station due to the opening of the Regional Connector Light Rail Line. These access improvements will enhance the livability of the existing Little Tokyo and Arts District neighborhoods and facilitate linkages to nearby Union Station with the integration of bicycle and pedestrian access to Metro rail and bus systems.

The project schedule has preliminary and final design being completed by the beginning of 2017 with construction starting shortly thereafter. Staff will continue to work closely with the City of Los Angeles, the Regional Connector Project Team, and other stakeholders during the design process and construction phase to coordinate construction activities within the Regional Connector adjacent project area.

Phase I of the Eastside Access Project in the City of Los Angeles is currently under construction. Phase II of the Eastside Access Project in unincorporated East Los Angeles is in final design and scheduled to initiate construction in Spring 2016. The subject project is a third phase of the Eastside Access Project.

Contract Modification Authority is requested to address the anticipated activities in direct relation to various entities involved in reviewing/approving, current construction and complexity in the development of this project. The Eastside Access 1st/Central Station Improvement Project includes a series of public improvements in close proximity to the current construction activities of the Regional Connector. The project is complex and will require extensive coordination between various local community organizations, City of Los Angeles Departments and the FTA.

## **DETERMINATION OF SAFETY IMPACT**

The 1<sup>st</sup> and Central Station Improvement Project will improve pedestrian and bicycle safety. The project will be designed in accordance with the policies and requirements of Metro and the City of Los Angeles.

## **FINANCIAL IMPACT**

The funding of \$908,000 for this service is included in the FY16 budget in cost center 4320, Active Transportation Team under project number 460300, Eastside Light Rail Access. Funds for design services are coming from Measure R 35% Transit Capital funds. Construction funds for the improvements will be coming from the FTA TIGER VI grant. Since this is a multi-year project, the cost center manager and the Chief Planning Officer of Countywide Planning & Development will be

accountable for budgeting the cost in future years.

### Impact to Budget

The funding for this service will come from Measure R 35% Transit Capital funds. These funds are not available for operations and were identified for this project; therefore, no other sources were considered.

### **ALTERNATIVES CONSIDERED**

The Board could consider not authorizing the contract award. This action is not recommended as \$5 million in Measure R 35% Transit Capital funds are specifically allocated for this project and the FTA will be participating in the construction costs for the 1<sup>st</sup> and Central improvements. Such action would delay the project's implementation and jeopardize the loss of \$11,800,000 FTA TIGER VI grant funding.

### **NEXT STEPS**

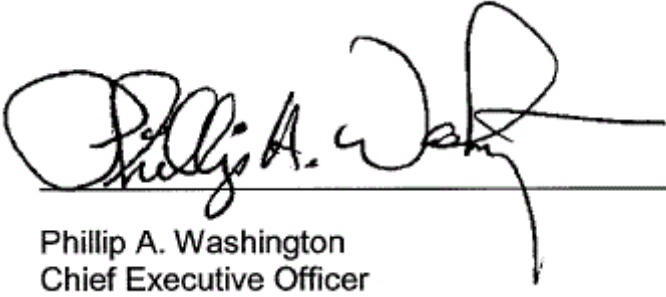
Upon Board approval, staff will execute Contract No. AE439330011938 with Ted Tokio Tanaka Architects. Staff will coordinate with the community and the City of Los Angeles to complete the design and the implementation program.

### **ATTACHMENTS**

Attachment A - Procurement Summary  
Attachment B - Project Area Map  
Attachment C - DEOD Summary

Prepared by: Dolores Roybal Saltarelli, Director, Countywide Planning & Development,  
(213) 922-3024  
Roberto Machuca, Transportation Planning Manager V, (213) 922-4517  
Diego Cardoso, Executive Officer, Countywide Planning & Development,  
(213) 922-3076

Reviewed by: Ivan Page, Interim Executive Director, Vendor/Contract Management, (213) 922-6383  
Calvin E. Hollis, Interim Chief Planning Officer, (213) 922-7319



Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

**METRO GOLD LINE EASTSIDE ACCESS  
1<sup>st</sup>/ CENTRAL STATION IMPROVEMENT PROJECT/ AE439330011938**

1.	<b>Contract Number:</b> AE439330011938 (RFP No. AE11938)	
2.	<b>Recommended Vendor:</b> Ted Tokio Tanaka Architects	
3.	<b>Type of Procurement (check one):</b> <input type="checkbox"/> IFB <input type="checkbox"/> RFP <input checked="" type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> May 14, 2015	
	<b>B. Advertised/Publicized:</b> May 14, 2015	
	<b>C. Pre-Proposal/Pre-Bid Conference:</b> May 21, 2015	
	<b>D. Proposals/Bids Due:</b> June 15, 2015	
	<b>E. Pre-Qualification Completed:</b> September 8, 2015	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> June 17, 2015	
	<b>G. Protest Period End Date:</b> February 23, 2016	
5.	<b>Solicitations Picked up/Downloaded:</b> 127	<b>Proposals Received:</b> 5
6.	<b>Contract Administrator:</b> Erika Estrada	<b>Telephone Number:</b> (213) 922-1102
7.	<b>Project Manager:</b> Dolores Roybal Saltarelli	<b>Telephone Number:</b> (213) 922-3024

**A. Procurement Background**

This Board Action is to approve Contract No. AE439330011938 (RFP No. AE11938) for Architectural and Engineering (A&E) services for design development, final design, project costing and stakeholder outreach for the 1st/Central Station Improvement Project. The objective of the work is to develop a sustainable plan to serve and enhance multi-modal access within a one-mile radius of the 1st/Central station along the Regional Connector.

This is an A&E qualifications based Request for Proposal (RFP) issued in accordance with Metro's Acquisition Policy and Procedure Manual and the contract type is a firm fixed price. This RFP was issued under the Small Business Set-Aside Program and was open to Metro Certified Small Businesses only.

One amendment was issued during the solicitation phase of this RFP:

- Amendment No. 1, issued on June 5, 2015, provided responses to proposers' questions, provided four reference documents on Metro's File Transfer Protocol (FTP) site for proposers to access available resource documents, provided the pre-proposal conference sign-in sheets, and the planholders' list.

A pre-proposal conference was held on May 21, 2015 and attended by 33 participants representing 30 companies. There were 15 questions asked and responses were released prior to the proposal due date.



A total of 127 firms downloaded the RFP and were included in the planholders' list. A total of five proposals were received on June 15, 2015.

## **B. Evaluation of Proposals/Bids**

A Proposal Evaluation Team (PET) consisting of staff from Metro's New Mobility Regional Initiatives, Bike Programs, and Shared Mobility & Implementation was convened and conducted a comprehensive technical evaluation of the proposals received.

The proposals were evaluated based on the following evaluation criteria and weights:

- |  |     |
|--|-----|
| • Degree of Skills and Experience  | 50% |
| • Effectiveness of Management Plan and Quality                             | 25% |
| • Understanding of Work and Appropriateness of Approach for Implementation | 25% |

The evaluation criteria are appropriate and consistent with criteria developed for other, similar A&E design procurements. Several factors were considered when developing these weights, giving the greatest importance to the degree of skills and experience of the team. The PET evaluated the proposals according to the pre-established evaluation criteria.

This is an A&E qualifications based procurement. Price cannot be used as an evaluation factor pursuant to state and federal law.

Prior to proposals being distributed to the PET for evaluation, DEOD reviewed the firms that submitted proposals in order to confirm their Metro Small Business Enterprise (SBE) certification status. Of the five proposals received, two were deemed non-responsive, Asakura Robinson Company and Baumgartner + Uriu, as these firms were not Metro SBE certified, and therefore, were not eligible for further consideration.

On June 16, 2015, the three proposals deemed as eligible Metro SBE certified firms were distributed to the PET. During the weeks of June 16 to August 3, 2015, the PET completed its independent evaluation of the proposals received. All three proposals were determined to be within the competitive range and are listed below in alphabetical order:

1. Base Architecture, Planning and Engineering
2. Ted Tokio Tanaka Architects (TTTA)
3. V&A, Inc.

The final scoring determined Ted Tokio Tanaka Architects to be the highest technically qualified firm.

This project is funded by a grant from the U.S. Department of Transportation Federal Transit Administration (FTA) which requires approvals for the Transportation Investment Generating Economic Recovery (TIGER VI) grant and a Categorical Exemption. Approvals were received September 22, 2015, and December 4, 2015, respectively.

**Qualifications Summary of Recommended Firm:**

Ted Tokio Tanaka Architects (TTTA), a Metro certified SBE, offers architecture, design, computer aided design, urban design, and project management services. The proposed team demonstrated several years of significant experience on similar projects within the project area, i.e. Little Tokyo/Arts District Station Community Linkages Program, Metro Eastside Extension Little Tokyo/Arts District Subway Station Final Design, Community Linkages for the Eastside Metro Rail Project, Cluster A Union Station, Little Tokyo & Pico/Aliso, the Metro Airport Connector, the Los Angeles Community College (LACC) Red Line Connector project, design for the Little Tokyo/Arts District Goldline Station, Regional Connector Phases I & II engineering and design support during construction, and the Los Angeles International Airport Beautification enhancements project.

The work plan discussed the design development documents, design concepts, project implementation schedule, supplemental engineering, project costing, and the required community outreach program. The outreach approach provides open houses, workshops and community meetings for local residents to understand the project which was responsive and met Metro’s needs.

Following is a summary of the PET scores:

	<b>FIRM</b>	<b>Average Score</b>	<b>Factor Weight</b>	<b>Weighted Average Score</b>	<b>Rank</b>
<b>1</b>	<b>Ted Tokio Tanaka Architects</b>				
<b>2</b>	Degree of Skills and Experience	42.10	50.00%	84.20	
<b>3</b>	Effectiveness of Management Plan and Quality	20.63	25.00%	82.53	
<b>4</b>	Understanding of Work and Appropriateness of Approach for Implementation	19.47	25.00%	77.87	
<b>5</b>	<b>Total</b>	<b>82.20</b>	<b>100.00%</b>		<b>1</b>

<b>6</b>	<b>Base Architecture, Planning and Engineering</b>				
<b>7</b>	Degree of Skills and Experience	<b>38.57</b>	<b>50.00%</b>	<b>77.13</b>	
<b>8</b>	Effectiveness of Management Plan and Quality	<b>18.57</b>	<b>25.00%</b>	<b>74.27</b>	
<b>9</b>	Understanding of Work and Appropriateness of Approach for Implementation	<b>18.77</b>	<b>25.00%</b>	<b>75.07</b>	
<b>10</b>	Total	<b>75.91</b>	<b>100.00%</b>		<b>2</b>
<b>11</b>	<b>V&amp;A, Inc.</b>				
<b>12</b>	Degree of Skills and Experience	<b>32.50</b>	<b>50.00%</b>	<b>65.00</b>	
<b>13</b>	Effectiveness of Management Plan and Quality	<b>17.70</b>	<b>25.00%</b>	<b>70.80</b>	
<b>14</b>	Understanding of Work and Appropriateness of Approach for Implementation	<b>17.67</b>	<b>25.00%</b>	<b>70.67</b>	
<b>15</b>	Total	<b>67.87</b>	<b>100.00%</b>		<b>3</b>

### **C. Cost/Price Analysis**

The recommended price of \$1,793,023 has been determined to be fair and reasonable based upon Metro’s Management and Audit Services (MAS) audit findings, an independent cost estimate, cost analysis, technical evaluation, fact finding, and negotiations.

The negotiated amount includes clarifications to the required environmental efforts. Due to the FTA categorical exemption, there is minimal environmental work and data collection required for the project. Conversely, major coordination efforts are required with various stakeholders such as the Regional Connector project, Los Angeles County Engineers, and the City of Los Angeles. The negotiated amount addresses the major coordination efforts not fully reflected in the independent cost estimate. Metro staff successfully negotiated a cost savings of \$1,705,635 from the firm’s proposed price.

<b>Proposer Name</b>	<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
Ted Tokio Tanaka Architects	\$3,498,658	\$1,396,942	\$1,793,023

### **D. Background on Recommended Contractor**

The recommended firm, TTTA, located in Los Angeles, California, has been in business for 30 years, is an architecture, master planning, and urban design firm.

TTTA has designed several public, private, commercial, and residential projects in the greater Los Angeles region.

The proposed team is comprised of staff from TTTA and seven subcontractors (two SBE and five non-SBE firms). The proposed team has extensive experience with FTA and TIGER VI grants. Further, the proposed team is very experienced working with Metro, Caltrans, the City of Los Angeles, and the community members involved in the project area. The proposed project manager has more than 22 years of experience. The project manager has extensive knowledge and experience working with the project stakeholders identified in the statement of work. Overall, TTTA's proposal strongly demonstrated project understanding, the required community outreach efforts, and presented a complete, technically qualified team that would be able to successfully deliver the design documents.

**LEGEND**

-  Metro Rail - Existing
-  Regional Connector - Opening 2019
- Eastside Access**
  -  Streetscape Improvements
  -  Major Intersection Improvements
  -  Crosswalks
  -  Walk/Bike Esplanade
  -  Travel Lane Removal
  -  Class II Bicycle Lanes
- Regional Bike Share**
  -  Bike Share Stations



## DEOD SUMMARY

**METRO GOLD LINE EASTSIDE ACCESS  
1<sup>st</sup>/ CENTRAL STATION IMPROVEMENT PROJECT/ AE439330011938**

**A. Small Business Participation**

Effective June 2, 2014, per Metro's Board-approved policy, competitive acquisitions with three or more Small Business Enterprise (SBE) certified firms within the specified North American Industry Classification System (NAICS) as identified for the project scope shall constitute a Small Business Prime/Set-Aside procurement. Accordingly, the Contract Administrator advanced the solicitation, including posting the solicitation on Metro's website, advertising, and notifying certified small businesses as identified by NAICS code(s) that this solicitation was open to **SBE Certified Small Businesses Only**.

Ted Tokio Tanaka Architects, an SBE Prime, is performing 36% of the work with its own workforce and made a total SBE commitment of 41.59%.

	<b>SBE Firm Name</b>	<b>SBE % Committed</b>
1.	Ted Tokio Tanaka Architects (Prime)	36.00%
2.	Sapphos Environmental, Inc.	1.09%
3.	Systems Consulting, LLC	4.50%
	<b>Total Commitment</b>	<b>41.59%</b>

**B. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA).

**C. Living Wage Service Contract Worker Retention Policy**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

The PLA/CCP is not applicable to this contract.



## Board Report

File #: 2016-0021, File Type: Contract

Agenda Number: 32.

**PLANNING AND PROGRAMMING COMMITTEE**

**FEBRUARY 17, 2016**

**CONSTRUCTION COMMITTEE**

**FEBRUARY 18, 2016**

**SUBJECT: PURPLE LINE EXTENSION SECTION 3 (OPERATION SHOVEL READY)**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

CONSIDER:

- A. AUTHORIZING staff to begin the necessary steps to **advance the project delivery of the Westside Purple Line Extension Project - Section 3** (Century City to Westwood/VA Hospital) as part of a the larger package of the Shovel Ready Program of Projects which includes the advancement of other Measure R projects;
- B. AUTHORIZING the Chief Executive Officer (CEO) to execute Contract Modification No. 58 to Contract No. PS43502000 with **Parsons Brinckerhoff (PB) Inc. to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during solicitation processes, and design support services during construction for Section 3 of the Westside Purple Line Extension Project**, in an amount not to exceed \$28,085,033, increasing the total contract value from \$161,785,321 to \$189,870,354; and
- C. AMENDING the **Fiscal Year 2016 (FY16) Budget for the Westside Purple Line Extension Project - Section 3** by \$8,000,000.

**ISSUE**

Metro will aggressively move forward in bringing transit, highway and regional rail projects closer to the implementation stage. Bringing these projects to a “shovel-ready” state allows Metro to take advantage of potential opportunities that may develop and allow the projects to advance into the design and construction stage sooner rather than later.

“OPERATION Shovel Ready” potential opportunities may include those related to funding, grants, private sector participation and local community support. If these projects are not advanced to a shovel ready state, Metro may not be able to take advantage of future, unexpected opportunities. Moving these projects closer to a shovel-ready state, does not necessarily mean that they will all

move immediately into the construction stage. However, they will get done sooner when funding becomes available and are ready to start quickly.

Metro will take care to assure that any projects moving forward will only incorporate work that would need to be done in any case and will still be useful even if the project does not immediately move ahead. In addition, the funds needed to advance these shovel-ready projects would not impact funding for currently approved projects.

Experience has shown that aggressively moving forward is more likely to advance projects quicker towards completion. We have often moved projects through planning before complete funding commitments are received, and have ultimately been successful.

Attached is a list of projects, along with corresponding maps, that can be advanced towards shovel-ready status. These include a wide range of transit and highway projects throughout the region. We appreciate the support from the Board in moving projects forward to put them in position to take advantage of future opportunities.

## **DISCUSSION**

The LRTP includes the Metro Westside Purple Line, which is a 9-mile project that was environmentally cleared (CEQA/NEPA); adopted by the Board and received a Record of Decision from the Federal Transit Administration (FTA) in 2012. The Westside Purple Line is divided into three phases as follows:

- Section 1 (Wilshire/Western to Wilshire/La Cienega) 3.92 miles of twin bored tunnels with three subway stations; FTA Full Funding Grant Agreement \$2.82 Billion; Revenue Service Date October 31, 2024.
- Section 2 (Wilshire/La Cienega to Century City Constellation) 2.55 miles of tunnels with two subway stations; seeking FTA Full Funding Grant Agreement \$2.47 Billion; planned Revenue Service Date August 2025.
- Section 3 (Century City Constellation to Westwood/VA Hospital) 2.50 miles of tunnels with two subway stations; 30 Year LRTP Revenue Service Date 2035.

Metro submitted an expression of interest in participation in the FTA Expedited Delivery Pilot Program on September 8, 2015 which includes a Section 3 Acceleration Plan for a Revenue Service Date in 2024. Metro received a letter from Terese McMillan (FTA Acting Administrator) on December 22, 2015, with an offer from the FTA to discuss the new Expedited Delivery Pilot Program provisions with Metro and our interest in pursuing the program. Metro is currently seeking approval of a Full Funding Grant Agreement for the Westside Purple Line Project - Section 2 (Wilshire/La Cienega to Century City).

Should the Board approve the staff recommendation to begin the necessary steps to advance the project delivery of the Westside Purple Line Extension Project - Section 3 (Century City to



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Westwood/VA Hospital), as part of a the larger package of the Shelf Ready Program of Projects which includes the advancement of other Measure R projects, staff will formally explore the possibility of securing an Early Systems Work Agreement (ESWA) for the Westside Purple Extension Project - Section 3. An ESWA is a statutory mechanism available to the Federal Transit Administration to make a commitment to a transit project and provide funding, after a Record of Decision but prior to the negotiation and execution of a Full Funding Grant Agreement. Language will be included for an ESWA in the FFGA for the Westside Purple Line Project - Section 2 (Wilshire/La Cienega to Century City).

**CONTRACT MODIFICATION TO CONTRACT NO. PS43502000 - PARSONS BRINCKERHOFF (PB) INC.**

In anticipation of receiving notification from the FTA, Metro requested a cost and schedule proposal from Parsons Brinckerhoff for continued engineering services to complete Advanced Preliminary Engineering and Request for Proposal (RFP) solicitation documents. Negotiations have been completed for a total agreed upon amount of approximately \$28 million. The Contract Modification to the existing multi-year contract will include a commitment by PB to meet or exceed DBE goals and the adoption of a formal mentor protégé program as part of enhanced business participation. Current DBE participation on the contract value of \$161,765,321 is 21.35%. Their current commitment is 23.41%.

If the Contract Modification of \$28 million is approved by the Board, the total value of the PB contract for Westside Purple Line would grow from \$161,785,321 to \$189,870,354. PB has a total of 10 active contracts with Metro. Current value of all active contracts is \$193,425,620. The Contract Modification of \$28 million will increase it to \$221,510,653.

In February 2015, the Board approved Contract Modification No. 52 to Contract No. PS43502000 with PB to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during the design-build solicitation process, design support services during construction for Section 2 of the Westside Purple Line Extension Project, in an amount not to exceed \$20,820,226. As part of the award, the Board directed staff to conduct an audit by the Office of the Inspector General (OIG). The OIG audit of the PB contract modification to support Section 2 will be completed by the end of this month.

The Section 2 Request for Qualifications/Request for Proposals (RFQ/RFP) was issued in September 2015. Statements of Qualifications (SOQs) were received from three Design/Build teams in October 2015 and Price Proposals are due in May 2016. Approval of the Full Funding Grant Agreement from the FTA is anticipated in July 2016. Contract award is anticipated in January 2017.

Authorization of the contract modification to Parsons Brinckerhoff for \$28 million does not immediately result in deferring any projects in the LRTP. However, accelerated adoption of the

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Westside Purple Line Extension Section 3 Project LOP may impact available funding to other third decade projects in consideration of Recommendation A. The 2009 LRTP will require an update to reflect all current Measure R project costs and available funding options to deliver the remaining transit projects contained in the Measure R Ordinance.

### **DETERMINATION OF SAFETY IMPACT**

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

### **FINANCIAL IMPACT**

The source of funds for the recommended actions is Measure R 35%. The FY16 Budget will be amended in the amount of \$8,000,000 under Project 865523, Westside Purple Line Extension Project - Section 3 in Cost Center 8510 (Construction Project Management), and Account Number 50316 (Professional and Technical Services). Since this is a multi-year project, the Executive Director of Program Management and the Westside Purple Line Extension Project - Section 3 Project Manager will be responsible for budgeting costs in future years.

### **Impact to Budget**

These funds were assumed in the LRTP for the Westside Purple Line Extension Project and do not have an impact to operations fund sources. This Project is not eligible for Propositions A and C funding due to the proposed tunneling element of the Project. No other funds were considered.

### **ALTERNATIVES CONSIDERED**

The Board could decide to not approve the recommendations. This is not recommended given that this work could possibly help secure an Early Systems Work Agreement with the FTA for Section 3 of the Westside Purple Extension Project.

### **NEXT STEPS**

After Board approval, staff will direct the Consultant to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during the design-build solicitation process, and design support services during construction for Section 3 of the Westside Purple Line Extension Project.

### **ATTACHMENTS**

Attachment A - Current Status of Measure R Transit Projects

Attachment B - Procurement Summary

Attachment C - Contract Modification/Change Log

Attachment D - DEOD Summary

Prepared by:

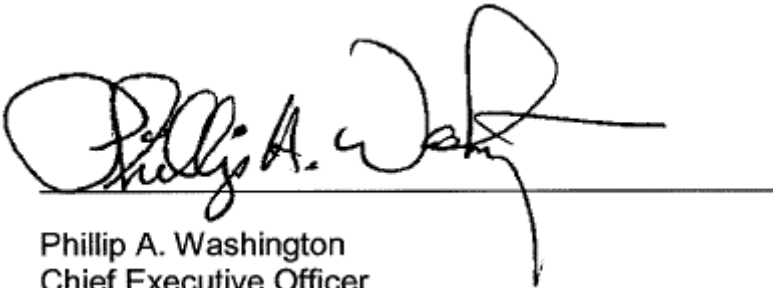
Dennis S. Mori, Executive Officer, Project Director (213) 922-7221

Rick Wilson, Deputy Executive Officer, Program Control (213) 922-3627

Reviewed by:

Ivan Page, Executive Director, Vendor/Contract Management (Interim) (213) 922-6383

Richard Clarke, Executive Director, Program Management (213) 922-7447



Phillip A. Washington  
Chief Executive Officer

## Operation Shovel Ready: Transit Projects

### Measure R Projects

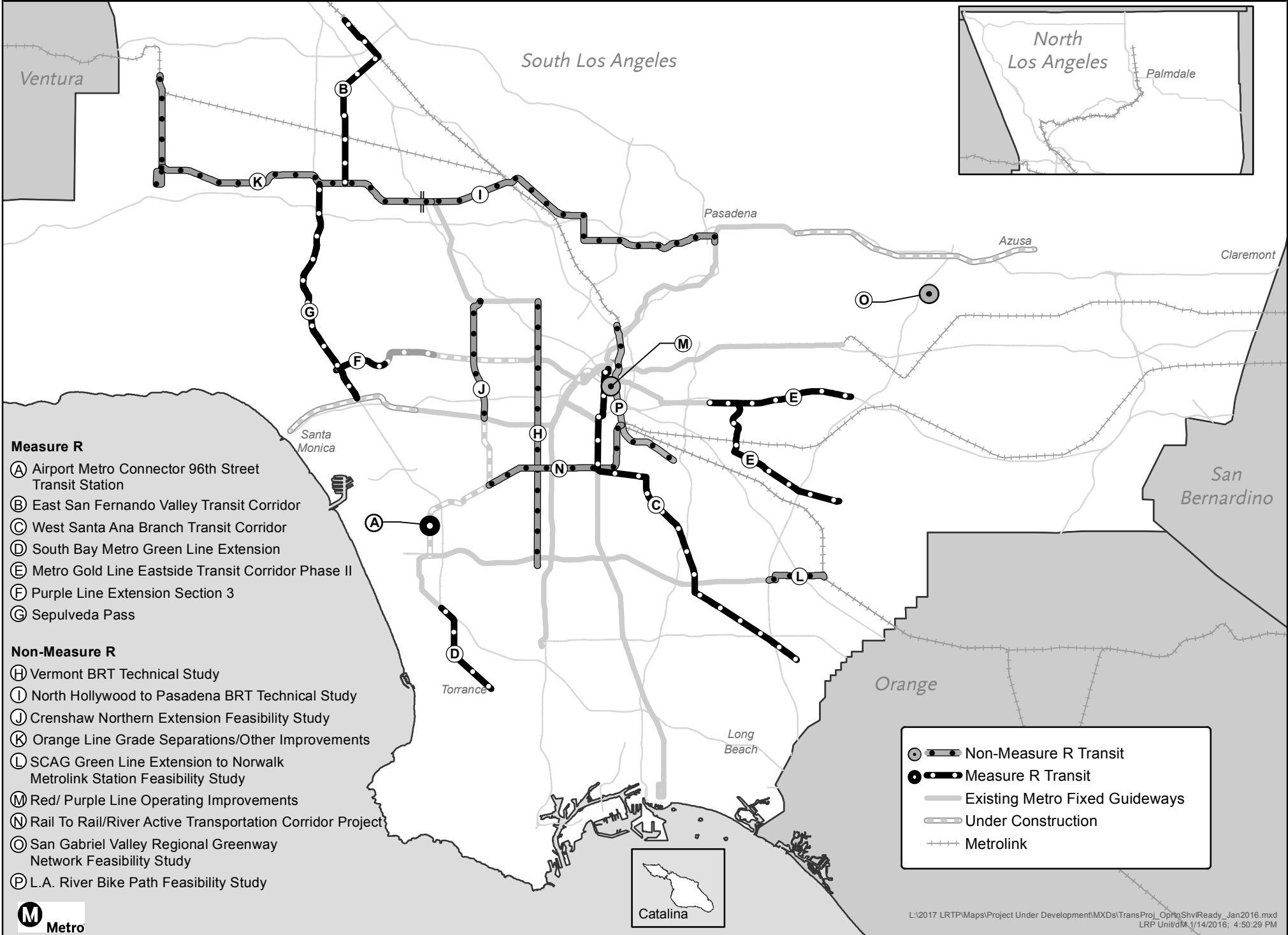
- A. Airport Metro Connector 96<sup>th</sup> Street Transit Station - Preparing Draft EIR for Board consideration in Summer 2016, developing Station Design in coordination with LAWA, working with Crenshaw/LAX and Southwest Yard teams on design and construction of AMC accommodations to Crenshaw/LAX line; continue coordination with LAWA.
- B. East San Fernando Valley Transit Corridor - Preparing Administrative Draft EIS/EIR for FTA review.
- C. West Santa Ana Branch Transit Corridor - Scope of work to prepared to complete environmental document working on separate scope of work for Outreach Consultant. Environmental Contract and task order for Outreach Contract scheduled to be awarded in summer 2016.
- D. South Bay Metro Green Line Extension - Administrative Draft EIS/EIR has been reviewed by FTA; update 2012 environmental document for any changed conditions.
- E. Metro Gold Line Eastside Transit Corridor Phase II - Conducting technical study and outreach as directed by the Board in November 2014; anticipate study recommendations to be presented to the Board in winter 2016/2017. Staff is conducting on-going community and stakeholder outreach.  
  
West Santa Ana Branch-Metro Gold Eastside Transit Corridor Phase II Connection Study - As directed by the Board in November 2015, staff has undertaken this study which will explore opportunities to connect these two corridors.
- F. Purple Line Extension Section 3 - Award contract modification to continue design; following Board approval, update 2012 environmental document for any changed conditions, as necessary.
- G. Sepulveda Pass - Continuing feasibility studies

### Non-Measure R projects

- H. Vermont BRT Technical Study - Conducting technical study as directed by the Board to identify and recommend BRT alternatives for further evaluation including potential environmental clearance. Stakeholder outreach being initiated in January 2016.

- I. North Hollywood to Pasadena BRT Technical Study - Conducting technical study as directed by the Board to identify and recommend BRT alternatives for further evaluation including potential environmental clearance. Stakeholder outreach being initiated in January 2016.
- J. Crenshaw Northern Extension Feasibility Study - In consultant procurement process with task orders for both the technical and urban design/outreach contracts scheduled for award in February 2016.
- K. Grade Separation for Orange Line/Other improvements - Procure consultant services to identify and environmentally clear improvements including grade separations and other BRT upgrades.
- L. SCAG Green Line Extension to Norwalk Metrolink Station Feasibility Study - SCAG will be leading an intercounty feasibility study which will examine alignments, economic development and transit oriented community opportunities. Participants in the study include: SCAG, OCTA, Metro and City of Norwalk. SCAG anticipates awarding a contract summer 2016.
- M. Red/Purple Line Operating Improvements - Conduct environmental studies and engineering design for Division 20 Rail Yard portal widening, turn back facility, and station.
- N. Rail to Rail/River Active Transportation Corridor Project - Procuring consultant services to complete environmental document/preliminary engineering for Segment A, Alternatives Analysis for Segment B and separate Outreach contract to support both Segments A and B. All three contracts are anticipated to be awarded in May 2016.
- O. San Gabriel Valley Regional Greenway Network Feasibility Study - The San Gabriel Valley COG received ATP funding for an initial feasibility study, which is in the early stages of development. The study will look at developing protected class I bicycle paths and pedestrian pathways along as much as 135 miles of riverways, streams, and channels in the San Gabriel Valley.
- P. L.A. River Bike Path Feasibility Study - Feasibility study being conducted to develop conceptual designs and evaluate various alternatives for addressing an 8 mile bike path gap of the Los Angeles River. The 8 mile stretch is between Riverside Drive in the City of Los Angeles and Atlantic Blvd with access points along the segment within the cities of Los Angeles, Vernon, and Maywood.

# OPERATION Shovel Ready: Transit Projects



## Measure R

- (A) Airport Metro Connector 96th Street Transit Station
- (B) East San Fernando Valley Transit Corridor
- (C) West Santa Ana Branch Transit Corridor
- (D) South Bay Metro Green Line Extension
- (E) Metro Gold Line Eastside Transit Corridor Phase II
- (F) Purple Line Extension Section 3
- (G) Sepulveda Pass

## Non-Measure R

- (H) Vermont BRT Technical Study
- (I) North Hollywood to Pasadena BRT Technical Study
- (J) Crenshaw Northern Extension Feasibility Study
- (K) Orange Line Grade Separations/Other Improvements
- (L) SCAG Green Line Extension to Norwalk Metrolink Station Feasibility Study
- (M) Red/ Purple Line Operating Improvements
- (N) Rail To Rail/River Active Transportation Corridor Project
- (O) San Gabriel Valley Regional Greenway Network Feasibility Study
- (P) L.A. River Bike Path Feasibility Study

	Non-Measure R Transit
	Measure R Transit
	Existing Metro Fixed Guideways
	Under Construction
	Metrolink



## PROCUREMENT SUMMARY

## WESTSIDE PURPLE LINE EXTENSION PROJECT/PS 43502000

1.	<b>Contract Number:</b> PS 43502000		
2.	<b>Contractor:</b> Parsons Brinkerhoff (PB)		
3.	<b>Mod. Work Description:</b> Continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during solicitation processes, and design support services during construction for Section 3 of the Westside Purple Line Extension Project.		
4.	<b>Contract Work Description:</b> Engineering Support Services		
5.	<b>The following data is current as of:</b> January 14, 2016		
6.	<b>Contract Completion Status</b>		<b>Financial Status</b>
	<b>Contract Awarded:</b>	6/8/07	<b>Contract Award Amount:</b> \$3,654,061
	<b>Notice to Proceed (NTP):</b>	7/16/07	<b>Total of Modifications Approved:</b> \$158,131,260
	<b>Original Complete Date:</b>	9/16/08	<b>Pending Modifications (including this action):</b> \$28,085,033
	<b>Current Est. Complete Date:</b>	6/30/17	<b>Current Contract Value (with this action):</b> \$189,870,354
7.	<b>Contract Administrator:</b> Zachary Munoz		<b>Telephone Number:</b> (213)922-7301
8.	<b>Project Manager:</b> Dennis Mori		<b>Telephone Number:</b> (213)312-3109

**A. Procurement Background**

This Board Action is to approve Contract Modification No. 58 issued in support of Westside Purple Line Extension Section 3 Project to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support services during solicitation processes, design support services during construction for Section 3 of the Westside Purple Line Extension Project.

This Contract Modification will be processed in accordance with Metro's Acquisition Policy and the contract type is a cost plus fixed fee.

The solicitation for Contract No. PS43502000 was an Architectural & Engineering (qualification-based) procurement process. This method requires that each of the responding firm's qualifications be evaluated, and the most qualified firm selected for the entire Westside Purple Line Extension Project, followed by analysis of the selected firm's cost proposal and successful negotiations to enter in to the contract with the selected firm.

In June 2007, the Board authorized award of this Contract to PB for alternative analysis with three options for Draft EIS/EIR/Advanced Conceptual Engineering, Final EIS/EIR, and Preliminary Engineering, in the amount of \$3,654,061. In January 2009, the Board exercised

the option for Draft EIS/EIR/Advanced Conceptual Engineering. In October 2010, the Board exercised options for Final EIS/EIR and Preliminary Engineering. In October 2011, the Board authorized PB to enter the next phase of work, design support during final design and/or construction. In April 2014, the Board authorized PB to provide continued design support during final design and/or construction. In February 2015, the Board authorized PB to provide continued advanced preliminary engineering, design for advanced relocation of utilities, engineering support service during the design-build solicitation process, design support services during construction. In December 2015, the Board authorized PB to provide continued design support services during construction.

**B. Cost/Price Analysis**

The recommended price has been determined to be fair and reasonable based upon fact-finding, clarifications of the scope of work, quantitative technical analysis, independent cost estimate, and cost analysis. This Contract Modification includes provisional indirect rates subject to adjustment upon completion of MASD's final year-end incurred cost audit. The difference between the negotiated price and Metro's ICE is the result of an increased level of effort, and corresponding hourly rates that were determined to be required after a technical evaluation of the Contractor's proposal was performed and approved by Metro's Project Management. Negotiations resulted in a reduction of \$3,068,805 from the contractor's proposed amount.

<b>Proposal Amount</b>	<b>Metro ICE</b>	<b>Negotiated Amount</b>
\$31,153,838	\$27,774,320	\$28,085,033



**CONTRACT MODIFICATION/CHANGE ORDER LOG**  
**WESTSIDE PURPLE LINE EXTENSION PROJECT/PS 43502000**

<b>Mod. No.</b>	<b>Description</b>	<b>Date</b>	<b>Amount</b>
1-8	Alternatives Analysis	9/1/09	\$27,515
9-20	Advanced Conceptual Engineering/Draft EIS/ EIR	9/16/10	\$18,590,710
21	Preliminary Engineering	11/1/10	\$43,632,826
22	Final EIS/EIR	11/1/10	\$4,761,377
23	Close-out Alternative Analysis	1/12/11	(\$31,300)
24	Additional Fault investigation – Transect 2	5/6/11	\$480,250
25	Risk Management Support	2/28/11	\$208,417
26	Additional Fault Investigation Transec 4	7/5/11	\$453,264
27	Century City Refined Ridership Forecast	4/13/11	\$22,985
28	Additional Rail Simulation Study	4/20/11	\$72,646
29	Revisions to Safety Security Manual	3/31/11	\$0
30	Oil Well Investigation Program	5/4/11	\$107,165
31	Additional Fault Investigation Transec 3	6/2/11	\$411,949
32	Additional Fault Investigation Transec 7	7/5/11	\$310,754
33	Historic Property Survey	5/13/11	\$46,442
34	Additional Fault Investigation Transec 6	8/9/11	\$102,054
35	Additional Station Entrance Report	8/9/11	\$119,074
36	Advance Preliminary Engineering	11/1/11	\$16,996,740
37	LADWP Utility Relocations	4/27/12	\$84,659
38	Title V1 Service Equity	4/17/12	\$51,185
39	Design Services for Exploratory Shaft	7/5/12	\$0
40	Period of Performance Extension	10/31/12	\$0
41	Bid Period Services	3/25/13	\$18,816,205
42	CANCELLED		
43	Advance Preliminary Engineering (Section 2)	4/22/13	\$8,836,296
44	Additional Borings	8/16/13	\$439,292
45	Additional Capacity Study	10/9/13	\$24,030
46	Ventilation Study	12/18/13	\$470,527
47	Additional AUR Work	2/11/14	\$493,563
48	Design Support Services During Construction FY 15	5/30/14	\$11,657,611
49	Period of Performance Extension	6/26/14	\$0
50	New Starts Support Section 2	8/11/14	\$357,054
51	Section 2 Station Area Planning	8/21/14	\$126,728
52	Continued Advanced Preliminary Engineering Section 2	3/30/15	\$20,820,226
53	Utility Engineer Support	12/23/14	\$358,798
54	Period of Performance Extension	12/23/14	\$0
55	Period of Performance Extension	12/23/14	\$0
56	Period of Performance Extension	12/24/14	\$0
57	Design Support Services During Construction Section 1	12/21/15	\$9,282,218
58	<b>Pending Board Approval</b>		\$28,085,033
	<b>Total:</b>		\$186,216,293

## DEOD SUMMARY

## WESTSIDE PURPLE LINE EXTENSION PROJECT/PS 4350-2000

**A. Small Business Participation**

Parsons Brinckerhoff, Inc. (PB) made a 23.41% DALP commitment, listing five (5) DBE subcontractors, and has added 32 DBE subcontractors to date. The project is currently 87% complete. Current DALP participation is 21.35%, representing a 2.06% shortfall, an improvement from the 2.85% DBE shortfall reported in November 2015. DALP participation has increased by approximately 0.79%, since November 2015.

In November 2015, PB confirmed that they will meet their 23.41% DBE commitment in Fall 2016. PB expressed that they will accomplish their DBE commitment with the addition of Modification No. 52, which includes a 41.6% DBE participation on current Section 2 scope, inclusive of a 50% DBE participation on Section 2 Geotechnical work. Currently, PB has achieved 49.67% DBE participation on Modification No. 52 and is on pace to meeting their DBE commitment. In addition, PB also made a 33.25% DBE commitment for Modification No. 58, pending Board approval of the recommended action for Section 3.

On January 13, 2016, PB reaffirmed that DBE participation anticipated on the current proposal for Continuation of Section 1, Design Support During Construction, along with the Section 2 DBE participation, and Modification No. 58 for Section 3 will result in PB meeting its DBE commitment in fall 2016.

<b>Small Business Commitment</b>	<b>DALP 23.41%</b>	<b>Small Business Participation</b>	<b>DALP 21.35%</b>
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	<b>DBE Subcontractor</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Intueor	2.28%	1.67%
2.	Terry A. Hayes	2.99%	0.30%
3.	Wagner Engineering	5.29%	0.70%
4.	Kal Krishnan Consulting	5.58%	1.23%
5.	LKG-CMC	7.27%	0.99%
6.	A Cone Zone (2nd Tier w/Mactac)	Added	0.77%

7.	Abadi Bouhier Consulting	Added	0.92%
8.	Advanced Technologies	Added	0.13%
9.	Advantec	Added	0.80%
10.	AP Engineering (2nd Tier w/AMEC)	Added	0.13%
11.	Atlas Teknology Group	Added	0.07%
12.	Atwell Consulting	Added	0.33%
13.	Barrio Planners	Added	1.20%
14.	C&L Drilling (2nd Tier w/Mactec)	Added	0.70%
15.	Cogstone Resource	Added	0.17%
16.	Del Richardson	Added	0.17%
17.	Diana Ho	Added	0.01%
18.	Diaz Yourman	Added	0.28%
19.	D'Leon Consulting	Added	2.46%
20.	E.W. Moon	Added	0.50%
21.	FPA Underground	Added	0.61%
22.	Green Clean Water (2nd Tier w/AMEC)	Added	0.04%
23.	IDC Consulting	Added	0.35%
24.	Jad & Associates	Added	0.70%
25.	Jet Drilling (2nd Tier w/Mactec)	Added	0.24%
26.	Lenax Construction	Added	0.87%
27.	Martini Drilling	Added	0.50%
28.	Melendrez (2nd Tier w/Torti Gallas)	Added	0.01%
29.	Parikh Consultants (2nd Tier w/AMEC)	Added	0.22%
30.	Raw International	Added	2.24%
31.	Roy Willis	Added	0.01%

32.	Safe Utility Exposure	Added	0.53%
33.	Safeprobe	Added	0.23%
34.	Universal Reprographics	Added	0.41%
35.	V&A Inc.	Added	0.47%
36.	W2 Design	Added	0.39%
37.	Wiltec (2nd Tier w/Fehr & Peers)	Added	0.00%
<b>Total DBE Commitment</b>		<b>23.41%</b>	<b>21.35%</b>

*Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.*

**B. Project Labor Agreement/Construction Careers Policy (PLA/CCP)**

The Project Labor Agreement/Construction Careers Policy is not applicable to this modification.

**C. Living Wage/Service Contract Worker Retention Policy Applicability**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

**D. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA). Trades that may be covered include: surveying, potholing, field, soils and materials testing, building construction inspection and other support trades.



**Board Report**

**File #:** 2015-1761, **File Type:** Resolution

**Agenda Number:** 58.

**FINANCE, BUDGET AND AUDIT COMMITTEE  
FEBRUARY 17, 2015**

**SUBJECT: PROP A AND PROP C COMMERCIAL PAPER/SHORT-TERM BORROWING PROGRAMS**

**ACTION: AWARD CONTRACTS FOR LETTERS AND LINES OF CREDIT TO COVER \$200 MILLION OF PROP A AND \$150 MILLION OF PROP C BORROWING CAPACITY**

**RECOMMENDATION**

CONSIDER:

A. **AUTHORIZING** the Chief Executive Officer to **renew and/or replace the direct-pay letters of credit (“LOC”) and direct purchase revolving credit facility (“RCF”) for the Proposition A and Proposition C commercial paper/short-term borrowing programs** to be provided by the banks described below and finalize negotiations with the recommended banks and enter into reimbursement/credit agreements and related documents associated with such LOCs and RCF:

1. **RENEWING AND INCREASING** the stated amount of the LOC currently provided by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (“Sumitomo”) for a LOC commitment amount of \$125 million for a three-year term for the Proposition A commercial paper program at an estimated cost of \$2.706 million including legal fees and other related expenses;
2. **RENEWING** the LOC currently provided by MUFG Union Bank, N.A. (“Union Bank”) for a LOC commitment amount of \$75 million for a three year term for the Proposition A commercial paper program at an estimated cost of \$1.714 million including legal fees and other related expenses;
3. **RENEWING** the RCF currently provided by Wells Fargo Bank, National Association (“Wells Fargo”) for a commitment of \$75 million for a three year term for the Proposition C short-term borrowing program at an estimated cost of \$1.702 million including legal fees and other related expenses; and

4. REPLACING the LOC currently being provided by State Street Bank and Trust Company ("State Street") with respect to the Proposition C commercial paper program with a LOC to be provided by Bank of America, N.A. ("B of A") for a LOC commitment amount of \$75 million for a three year term at an estimated cost of \$1.787 million including legal fees and other related expenses.
- B. If unable to reach agreement with one or more of the recommended banks described above, AUTHORIZING the Chief Executive Officer to finalize negotiations with each successively ranked bank for LOCs and/or RCFs having three year terms and the estimated costs shown in Attachment A;
- C. ADOPTING a resolution with respect to the Proposition A commercial paper program that approves the selection of Sumitomo and Union Bank or such other banks selected by the Chief Executive Officer, forms of the reimbursement agreements, fee agreements and reimbursement notes in substantially similar form with those on file with the Board Secretary and that makes certain benefits findings in compliance with the Government Code, Attachment B; and
- D. ADOPTING a resolution with respect to the Proposition C commercial paper and short-term borrowing programs that approves the selection of B of A and Wells Fargo or such other banks selected by the Chief Executive Officer, forms of the reimbursement agreement, fee agreement, reimbursement note, revolving credit agreement, revolving obligation notes and supplemental subordinate trust agreement in substantially similar form with those on file with the Board Secretary and that makes certain benefits findings in compliance with the Government Code, Attachment C.

(REQUIRES SEPARATE, SIMPLE MAJORITY BOARD VOTE)

## **ISSUE**

The Proposition A Commercial Paper program ("Prop A CP") and Proposition C Commercial Paper/Short-Term Borrowing program ("Prop C CP") have proven to be flexible, cost effective methods of short-term financing for our capital program. A letter of credit or similar facility is required for these programs in order to guarantee repayment of notes at maturity. Prop A CP LOCs with Sumitomo and Union Bank expire in March 2016. The Prop C CP LOC with State Street and the RCF with Wells Fargo expire in April 2016.

## **DISCUSSION**

The purpose of the Commercial Paper ("CP") programs generally is to provide interim taxable or tax-exempt financing until grant reimbursement or other funding sources are received, or until permanent

financing is arranged. The Prop A CP and Prop C CP programs authorize us to issue and have outstanding at any one time up to \$350 million and \$150 million in commercial paper notes, respectively. A letter of credit is required for the CP programs in order to guarantee repayment of the maturing notes.

Commercial paper is a short-term debt instrument that can be issued with maturities from 1 to 270 days. As notes mature, new notes are simultaneously issued, i.e., rolled over. The LOCs provide guaranteed liquidity to investors when their notes mature and are a required component of the program. Additionally, the LOCs provide a safety net to us in the form of a term loan in the unlikely event the notes cannot be remarketed, precluding any requirement that we immediately repay the entire outstanding amount from cash. The securities are backed by a subordinate pledge of 75% of Proposition A sales tax revenues and 80% of Proposition C sales tax revenues for the Prop A and the Prop C programs, respectively. We can issue either tax exempt or taxable CP under both programs. The borrowing costs under the programs have been just under 1.0% over the past year.

The RCF operates in a similar manner as the Prop C CP program in that Wells Fargo will provide short-term revolving loans to us directly of up to \$75 million outstanding at any one time. The loans provided under the RCF will bear interest at variable interest rates based on an index of 70% of 1-month LIBOR or 100% of SIFMA for tax exempt loans and 100% of 1-month LIBOR for taxable loans, plus the applicable spread. The RCF will be backed by a subordinate pledge of 80% of Prop C sales tax revenues. The borrowing costs for the Wells RCF were approximately 0.90% over the past year.

Requests for proposal were sent to 25 banks by our financial advisor, Backstrom McCarley Berry & Co., LLC ("Backstrom"). Under our Debt Policy, the financial advisor conducts competitive processes to select financial product providers including letters of credit. The request for proposal required banks to have short-term ratings of at least P-1, A-1 or F-1 from at least two of the three following rating agencies: Moody's Investor Services, Standard & Poor's and Fitch Ratings, respectively. Evaluation criteria included pricing, any risk premium investors may impose on a particular bank, the status of a bank's credit approval and willingness to execute our form of agreement. We also wanted to maintain diversity in the number of banks providing us with credit. Nine proposals were received for commitment amounts ranging from \$75 million to \$150 million for both programs. The source selection group was composed of Treasury staff and Backstrom. The proposals received from some banks included alternative products or terms that were considered to be less desirable, such as standby bond purchase agreements. The selection group ranked each proposer and we are recommending Sumitomo (\$125 million) and Union Bank (\$75 million) for the Proposition A CP program and B of A (\$75 million) and Wells Fargo (\$75 million) for the Proposition C program, all for three year terms.

Based on the lower pricing received under the RFP, assuming full utilization of the respective facilities over a three year contract period, the estimated costs are lower than the cost under the current lines of credit by more than \$450,000, even with an additional \$50 million in capacity. Costs will also depend on the amount of tax-exempt and taxable debt we issue under the Prop A and Prop C programs. Additional fees and interest could be incurred under certain extreme circumstances. To date, none of our commercial paper notes have ever failed to be remarketed.

## **DETERMINATION OF SAFETY IMPACT**

Approval of this report will not impact the safety of Metro's patrons or employees.

## **FINANCIAL IMPACT**

Funding of \$6.0 million for the Proposition A and Proposition C commercial paper programs is included in the FY16 budget and is adequate to cover the estimated \$2.3 million cost for a \$300 million drawdown. The funding is in Cost Center #0521, Treasury Non-Departmental, under project #610306, task 03.01 for Proposition A and project #610307, task 03.01 for Proposition C. The cost center manager and the Executive Director, Finance and Budget will be accountable for budgeting the cost in future years.

## **ALTERNATIVES CONSIDERED**

The Board could choose to not increase the capacity of the Prop A CP program to \$200 million or could direct a reduction below the current capacity of \$150 million for each program. It could cancel both programs and not replace the letter of credit or liquidity support. A reduction of the capacity of the CP programs would reduce our ability to quickly provide low cost, interim financing when needed. A decision to cancel the programs and not replace the letter of credit support would result in the need to refund all of the outstanding short term debt (\$62.5 million for Prop A and approximately \$63 million for Prop C) with a higher cost fixed rate financing. These alternatives are not recommended.

## **NEXT STEPS**

- Negotiate final terms and conditions with the recommended banks.
- If satisfactory terms cannot be agreed upon with the recommended banks, negotiate with each of the next highest ranked proposers in order to obtain the best combination of terms and pricing.
- Prepare agreements and documentation to implement the letters of credit and revolving credit facility, including, among others, notices, reimbursement agreements, fee agreements, reimbursement notes, credit agreements, revolving obligation notes, supplemental trust agreements and offering memoranda.
- Obtain credit ratings for the CP notes based on the credit ratings of the banks.
- Execute documents in the third quarter of FY2016, prior to the expiration date of the current agreements in March and April of 2016.

## **ATTACHMENTS**


Attachment A - Recommendation Summary  
Attachment B - Authorizing Resolution for Prop A  
Attachment C - Authorizing Resolution for Prop C

Prepared by: Donna R. Mills, Treasurer (213) 922-4047



LuAnne Edwards Schurtz, Assistant Treasurer (213) 922-2554

Reviewed by: Nalini Ahuja, Executive Director, Finance & Budget



Phillip A. Washington  
Chief Executive Officer

**Recommendation Summary  
Letters of Credit / Revolving Credit Line  
Supporting Prop A and Prop C Commercial Paper and  
Short Term Borrowing Programs**

Category/Rank	Proposer / Program <sup>1</sup>	Maximum Commitment	Estimated First Year Cost, including interest (based on \$75 million) <sup>2</sup>	Total Estimated 3yr Costs, including interest (based on \$75 million)
<b>Letter of Credit</b>				
<b>Prop A Program</b>				
	<b>Sumitomo Mitsui</b>	<b>\$150,000,000</b>	<b>\$559,000</b>	<b>\$1,635,000</b>
	<b>MUFG Union Bank</b>	<b>\$75,000,000</b>	<b>\$585,000</b>	<b>\$1,714,000</b>
	Barclays	\$75,000,000	\$628,000	\$1,802,000
	State Street	\$75,000,000	\$636,000	\$1,893,000
<b>Prop C Program</b>				
	<i>Sumitomo Mitsui<sup>3</sup></i>	<i>\$75,000,000</i>	<i>\$589,000</i>	<i>\$1,725,000</i>
	<b>Bank of America</b>	<b>\$75,000,000</b>	<b>\$628,000</b>	<b>\$1,787,000</b>
	Barclays	\$75,000,000	\$628,000	\$1,802,000
	State Street	\$75,000,000	\$636,000	\$1,893,000
<b>CP Alternatives</b>				
<b>Prop C Program</b>				
	<b>Wells Fargo (Revolving Credit Line)</b>	<b>\$150,000,000</b>	<b>\$581,000</b>	<b>\$1,702,000</b>
	Bank of America (Revolving Credit Line)	\$75,000,000	\$630,000	\$1,849,000

**Notes**

**Targeted firms are shown in bold.**

<sup>1</sup> Bank of China did not provide a rate for a 3 year term for a letter of credit, thus the bank was not included in the above summary. State Street, Bank of China, and Industrial & Commercial Bank of China also offered standby liquidity facilities, which were considered less desirable in meeting the purposes of the program. JP Morgan provided indicative pricing only for the programs, thus is not included in the summary.

<sup>2</sup> All costs are based on \$75,000,000 facilities/CP programs and include estimated interest on \$75 million.

<sup>3</sup> Sumitomo Mitsui offered a total commitment of \$150 million for Prop A and/or Prop C programs. \$125 million of capacity is targeted for the Prop A program.

**Authorizing Resolution Prop A**

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF ONE OR MORE REIMBURSEMENT AGREEMENTS AND CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION A COMMERCIAL PAPER PROGRAM AND AUTHORIZING OTHER RELATED MATTERS

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (the "LACMTA"), as successor to the Los Angeles County Transportation Commission (the "Commission"), is authorized, under Chapter 5 of Division 12 of the California Public Utilities Code (the "Act"), to issue bonds, including but not limited to notes, to finance and refinance the acquisition, construction or rehabilitation of facilities to be used as part of a countywide transportation system; and

WHEREAS, pursuant to the provisions of Section 130350 of the California Public Utilities Code, the Commission was authorized to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles (the "County") subject to the approval of the voters of the County; and

WHEREAS, the Commission, by Ordinance No. 16 adopted August 20, 1980 ("Ordinance No. 16"), imposed a 1/2 of 1% retail transactions and use tax upon retail sales of tangible personal property and upon the storage, use or other consumption of tangible personal property in the County, the proceeds of the tax to be used for public transit purposes (the "Proposition A Tax"), and such tax was approved by the electors of the County on November 4, 1980; and

WHEREAS, the revenues received by the LACMTA from the imposition of the Proposition A Tax are, by statute, directed to be used for public transit purposes, which purposes include a pledge of such tax to secure any bonds issued pursuant to the Act and include the payment or provision for the payment of the principal of such bonds and any premium, interest on such bonds and the costs of issuance of such bonds; and

WHEREAS, the LACMTA, on an on-going basis, is planning and engineering a County-wide public transportation system (the "Public Transportation System") to serve the County and on an on-going basis is constructing portions of the Public Transportation System; and

WHEREAS, to facilitate the development and construction of the Public Transportation System, as authorized by the Act, the LACMTA by resolution adopted January 23, 1991 (the "1991 Authorizing Resolution"), authorized and implemented a program of commercial paper (the "Program") involving the issuance from time to time of the Second Subordinate Sales Tax Revenue Commercial Paper Notes, Series A (the "Notes") for the purpose of providing for the financing of the acquisition of real and personal property and the construction of the Public Transportation System, provided that the aggregate principal amount of Notes and Reimbursement Obligations (as defined in such 1991 Authorizing Resolution) outstanding at any time shall not exceed \$350,000,000; and

WHEREAS, the Notes and other obligations incurred in connection with the Program are issued under and secured by the Subordinate Trust Agreement, dated as of January 1, 1991 (the “Subordinate Agreement”), by and between the LACMTA (as successor to the Commission) and U.S. Bank Trust National Association, as successor to BancAmerica Trust Company, as successor to Security Pacific National Trust Company (New York), as trustee (the “Trustee”); the First Supplemental Subordinate Trust Agreement, dated as of January 1, 1991, as amended (the “First Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Second Supplemental Subordinate Trust Agreement, dated as of January 1, 1994 (the “Second Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Third Supplemental Subordinate Trust Agreement, dated as of December 1, 1996 (the “Third Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Fourth Supplemental Subordinate Trust Agreement, dated as of December 1, 1996 (the “Fourth Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; the Fifth Supplemental Subordinate Trust Agreement, dated as of May 1, 2004 (the “Fifth Supplemental Trust Agreement”), by and between the LACMTA and the Trustee; and the Sixth Supplemental Subordinate Trust Agreement, dated as of September 24, 2009 (the “Sixth Supplemental Trust Agreement,” and collectively with the Subordinate Agreement, the First Supplemental Trust Agreement, the Second Supplemental Trust Agreement, the Third Supplemental Trust Agreement, the Fourth Supplemental Trust Agreement and the Fifth Supplemental Trust Agreement, the “Trust Agreement”), by and between the LACMTA and the Trustee; and

WHEREAS, the LACMTA has determined that it is necessary and desirable to have the Notes secured by one or more letters of credit (the “Letter of Credit,” or the “Letters of Credit”) that are delivered pursuant to the terms of one or more reimbursement agreements (a “Reimbursement Agreement,” or the “Reimbursement Agreements”) each between one or more providers of a Letter of Credit (a “Letter of Credit Provider,” or the “Letter of Credit Providers”) that sets forth the terms and conditions for the repayment by the LACMTA of Reimbursement Obligations; and

WHEREAS, a portion of the Notes are currently secured by a Letter of Credit (the “Sumitomo Mitsui Letter of Credit”) provided by Sumitomo Mitsui Banking Corporation, acting through its New York Branch (“Sumitomo Mitsui”) in the stated amount of \$74,999,724 which expires on March 11, 2016; and

WHEREAS, Sumitomo Mitsui issued the Sumitomo Mitsui Letter of Credit pursuant to the Letter of Credit Reimbursement Agreement, dated as of March 1, 2013, between the LACMTA and Sumitomo Mitsui; and

WHEREAS, an additional portion of the Notes are currently secured by a Letter of Credit (the “Union Bank Letter of Credit”) provided by MUFG Union Bank, N.A. (formerly known as Union Bank, N.A.) (“Union Bank”) in the stated amount of \$74,999,724 which expires on March 11, 2016; and

WHEREAS, Union Bank issued the Union Bank Letter of Credit pursuant to the Letter of Credit Reimbursement Agreement, dated as of March 1, 2013, between the LACMTA and Union Bank; and

WHEREAS, the LACMTA now desires to (a) renew the Sumitomo Mitsui Letter of Credit and increase the stated amount of the Sumitomo Mitsui Letter of Credit to \$124,999,176, (b) renew the Union Bank Letter of Credit (at the same stated amount of \$74,999,724), and/or (c) replace the Sumitomo Mitsui Letter of Credit (at the increased stated amount of \$124,999,176) and/or the Union Bank Letter of Credit (at the stated amount of \$74,999,724) with one or more new Letters of Credit to be issued by such other Letter of Credit Provider that may be selected by the LACMTA from the pool of respondents to the LACMTA's "Request for Proposal for Letters of Credit or Alternate Credit Facilities" (the "Bank RFP") distributed to potential respondents on December 10, 2015 (each an "Other Letter of Credit Provider");

WHEREAS, so long as the Program is active, the LACMTA deems it necessary and desirable to have one or more Letters of Credit securing the payment of principal of and interest on the Notes as they mature from time to time; and

WHEREAS, Section 5922 of the Government Code of the State of California provides that in connection with, or incidental to, the issuance or carrying of bonds (which is defined to include notes) any public entity may enter into any contracts which the public entity determines to be appropriate to place the obligations represented by the bonds, in whole or in part, on the interest rate, cash flow or other basis desired by the public entity, including without limitation contracts providing for payments based on levels of, or changes in, interest rates or stock or other indices, or contracts to exchange cash flows or a series of payments, in each case to hedge payment, rate, spread or similar exposure; and

WHEREAS, pursuant to Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreements to be entered into in connection with, or incidental to, the Program, will reduce the amount and duration of interest rate risk with respect to the Notes and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Notes or enhance the relationship between risk and return with respect to investments; and

WHEREAS, in order to minimize debt service and maximize benefits to the LACMTA, the LACMTA will enter into one or more Reimbursement Agreements with Sumitomo Mitsui and Union Bank and/or such Other Letter of Credit Provider which will provide one or more Letters of Credit that will separately secure the payment of principal of and interest on certain designated Notes as issued and maturing from time to time; and

WHEREAS, Sumitomo Mitsui, Union Bank and/or such Other Letter of Credit Provider will provide credit support for \$183,693,000 in aggregate principal amount of the Notes (which is only a portion of the \$350,000,000 authorized under the 1991 Authorizing Resolution); and

WHEREAS, forms of the following documents are on file with the Secretary of the Board of Directors of the LACMTA and have been made available to the members of the Board of Directors of the LACMTA (the "Board"):

- (a) an Amended and Restated Letter of Credit Reimbursement Agreement (the "Sumitomo Mitsui Amended and Restated Reimbursement Agreement"), that will be

entered into by the LACMTA and Sumitomo Mitsui in connection with the renewal of, and increase of the stated amount of, the Sumitomo Mitsui Letter of Credit;

(b) an Amended and Restated Fee Agreement (the “Sumitomo Mitsui Amended and Restated Fee Agreement”), that will be entered into by the LACMTA and Sumitomo Mitsui;

(c) an Amended and Restated Reimbursement Note (the “Sumitomo Mitsui Amended and Restated Reimbursement Note”), that will be executed and delivered by the LACMTA to evidence its reimbursement obligations under the Sumitomo Mitsui Amended and Restated Reimbursement Agreement and the Sumitomo Mitsui Amended and Restated Fee Agreement;

(d) an Amended and Restated Letter of Credit Reimbursement Agreement (the “Union Bank Amended and Restated Reimbursement Agreement”), that will be entered into by the LACMTA and Union Bank in connection with the renewal of the Union Bank Letter of Credit;

(e) an Amended and Restated Fee Agreement (the “Union Bank Amended and Restated Fee Agreement”), that will be entered into by the LACMTA and Union Bank; and

(f) an Amended and Restated Reimbursement Note (the “Union Bank Amended and Restated Reimbursement Note,” and collectively, with the Sumitomo Mitsui Amended and Restated Reimbursement Agreement, the Sumitomo Mitsui Amended and Restated Fee Agreement, the Sumitomo Mitsui Amended and Restated Reimbursement Note, the Union Bank Amended and Restated Reimbursement Agreement and the Union Bank Amended and Restated Fee Agreement, the “Documents”), that will be executed and delivered by the LACMTA to evidence its reimbursement obligations under the Union Bank Amended and Restated Reimbursement Agreement and the Union Bank Amended and Restated Fee Agreement; and

WHEREAS, the LACMTA has been advised by its Bond Counsel that such documents are in appropriate form, and the LACMTA hereby acknowledges that said documents will be modified and amended to reflect the various details applicable to the Program, the Notes, the Letters of Credit and the Reimbursements Agreements; and

WHEREAS, in the event the LACMTA decides that it is in its best interests to replace the Sumitomo Mitsui Letter of Credit and/or the Union Bank Letter of Credit with one or more Letters of Credit to be issued by one or more Other Letter of Credit Provider(s), instead of renewing the Sumitomo Mitsui Letter of Credit and/or the Union Bank Letter of Credit, the LACMTA will (a) enter into one or more Reimbursement Agreements with the Other Letter of Credit Provider(s) that will be substantially similar to the forms of the Sumitomo Mitsui Amended and Restated Reimbursement Agreement and the Union Bank Amended and Restated Reimbursement Agreement now on file with the Secretary of the Board, (b) will enter into one or more fee agreements with the Other Letter of Credit Provider(s) that will be substantially similar to the forms of the Sumitomo Mitsui Amended and Restated Fee Agreement and the Union Bank

Amended and Restated Fee Agreement now on file with the Secretary of the Board, and (c) execute and deliver one or more reimbursement notes that will be substantially similar to the forms of the Sumitomo Mitsui Amended and Restated Reimbursement Note and the Union Bank Amended and Restated Reimbursement Note now on file with the Secretary of the Board; and

WHEREAS, terms used in this Resolution and not otherwise defined herein shall have the meanings assigned to them in the Trust Agreement

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, AS FOLLOWS:

**Section 1. Findings.** The foregoing recitals are true and correct and the LACMTA so finds and determines.

**Section 2. Approval of Documents; Authorization for Execution.** The LACMTA hereby approves the appointment of Sumitomo Mitsui, Union Bank and/or such Other Letter of Credit Provider selected and appointed by a Designated Officer (as defined below), as the providers of the Letters of Credit (in a combined stated amount of \$199,998,900) with respect to the Program and the Notes. The form, terms and provisions of the Documents are in all respects approved and the Chief Executive Officer (“CEO”) of the LACMTA, the Executive Director, Finance and Budget of the LACMTA, any Treasurer of the LACMTA, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity, and any written designee of any of them (each a “Designated Officer”), any one or more thereof, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Documents including counterparts thereof, in the name and on behalf of the LACMTA. The Documents, as executed and delivered, shall be in substantially the forms now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the Documents now on file with the Secretary of the Board and made available to the Board; and from and after the execution and delivery of the Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Documents.

If a Designated Officer determines that it is in the LACMTA’s best interests to replace the Sumitomo Mitsui Letter of Credit and/or the Union Bank Letter of Credit with one or more Letters of Credit to be issued by one or more Other Letter of Credit Provider(s), instead of renewing the Sumitomo Mitsui Letter of Credit and/or the Union Bank Letter of Credit, the Designated Officers are hereby authorized to (a) enter into one or more Reimbursement Agreements with one or more Other Letter of Credit Provider(s) that is substantially similar to the forms of the Sumitomo Mitsui Amended and Restated Reimbursement Agreement and the Union Bank Amended and Restated Reimbursement Agreement (each an “Alternate Reimbursement Agreement”) now on file with the Secretary of the Board and made available to the Board and approved above, (b) enter into one or more fee agreements with one or more Other Letter of Credit Provider(s) that is substantially similar to the forms of the Sumitomo Mitsui

Amended and Restated Fee Agreement and the Union Bank Amended and Restated Fee Agreement (each an “Alternate Fee Agreement”) now on file with the Secretary of the Board and made available to the Board and approved above, and (c) execute and deliver one or more reimbursement notes that is substantially similar to the forms of the Sumitomo Mitsui Amended and Restated Reimbursement Note and the Union Bank Amended and Restated Reimbursement Note (each an “Alternate Reimbursement Note,” and collectively with the Alternate Reimbursement Agreement and the Alternate Fee Agreement, the “Alternate Documents”) now on file with the Secretary of the Board and made available to the Board and approved above. The Alternate Documents, as executed and delivered, shall be substantially similar to the forms of the Documents now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the Documents now on file with the Secretary of the Board and made available to the Board; and from and after the execution and delivery of the Alternate Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate Documents.

The LACMTA hereby determines that entering into one or more Reimbursement Agreements with Sumitomo Mitsui, Union Bank and/or such Other Letter of Credit Provider pursuant to Section 5922 of the Government Code of the State of California would be designed to reduce the LACMTA’s cost of borrowing for the Notes. In addition to the provisions set forth in the previous paragraph, no Designated Officer shall enter into a Reimbursement Agreement with Sumitomo Mitsui, Union Bank and/or such Other Letter of Credit Provider unless (a) such Reimbursement Agreement is designed (i) to reduce or hedge the amount or duration of any payment, interest rate, spread or similar risk, or (ii) to result in a lower cost of borrowing when used in combination with the issuance of the Notes, (b) the term of such Reimbursement Agreement does not exceed the Program Termination Date; (c) the amount of Letters of Credit issued pursuant to the terms of the respective Reimbursement Agreements does not exceed the principal amount of the Notes issuable under the Program; and (d) the amounts payable by the LACMTA with respect to such Reimbursement Agreements shall be payable solely and exclusively from Net Pledged Revenues. In accordance with Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreements entered into in accordance with this Resolution and consistent with the requirements set forth herein is designed to reduce the amount or duration of payment, interest rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the Notes.

**Section 3. Additional Authorization.** The Designated Officers and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the Documents and/or the Alternate Documents and to carry out the terms thereof. The Designated Officers and all other officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to execute all papers, documents, certificates and other instruments and take all other actions that may be required in order to carry out the authority conferred by this Resolution or the provisions of the Documents and/or the



Alternate Documents or to evidence said authority and its exercise. In connection with the execution and delivery of the Documents and the renewal of the Sumitomo Mitsui Letter of Credit and the Union Bank Letter of Credit and/or the execution and delivery of the Alternate Documents and the issuance of a new Letter of Credit by an Other Letter of Credit Provider, the LACMTA is hereby authorized and directed to prepare and cause to be distributed, from time to time, one or more commercial paper offering memoranda with respect to the Notes. All actions heretofore taken by the officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

**Section 4. Severability.** The provisions of this Resolution are hereby declared to be severable, and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

**Section 5. Effective Date.** This Resolution shall be effective upon adoption by the Board.

CERTIFICATION

The undersigned, duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on \_\_\_\_\_, 2016.

[SEAL]

By \_\_\_\_\_  
Board Secretary, Los Angeles County  
Metropolitan Transportation Authority

Dated: \_\_\_\_\_, 2016

**Authorizing Resolution Prop C**

RESOLUTION OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY APPROVING AND AUTHORIZING THE EXECUTION OF ONE OR MORE REIMBURSEMENT AGREEMENTS AND CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION C COMMERCIAL PAPER PROGRAM, THE EXECUTION OF ONE OR MORE REVOLVING CREDIT AGREEMENTS AND CERTAIN OTHER DOCUMENTS RELATED TO THE PROPOSITION C REVOLVING OBLIGATIONS AND AUTHORIZING OTHER RELATED MATTERS

WHEREAS, the Los Angeles County Metropolitan Transportation Authority (the "LACMTA"), as successor to the Los Angeles County Transportation Commission (the "Commission"), is authorized, under Chapter 5 of Division 12 of the California Public Utilities Code (the "Act"), to issue indebtedness and securities of any kind or class, including, but not limited to, bonds, notes, bond anticipation notes, commercial paper and other obligations ("Bonds"), to finance and refinance the acquisition, construction, rehabilitation or equipping of facilities to be used as part of a countywide transportation system; and

WHEREAS, pursuant to the provisions of Section 130350 of the California Public Utilities Code, the Commission was authorized to adopt a retail transactions and use tax ordinance applicable in the incorporated and unincorporated territory of the County of Los Angeles (the "County") subject to the approval of the voters of the County; and

WHEREAS, the Commission, by Ordinance No. 49 adopted August 28, 1990 ("Ordinance No. 49"), imposed a 1/2 of 1% retail transactions and use tax upon retail sales of tangible personal property and upon the storage, use or other consumption of tangible personal property in the County, the proceeds of the tax to be used for public transit purposes (the "Proposition C Tax"), and such tax was approved by the electors of the County on November 6, 1990; and

WHEREAS, the revenues received by the LACMTA from the imposition of the Proposition C Tax are, by statute, directed to be used for public transit purposes, which purposes include a pledge of such tax to secure any bonds issued pursuant to the Act and include the payment or provision for the payment of the principal of such bonds and any premium, interest on such bonds and the costs of issuance of such bonds; and

WHEREAS, the LACMTA, on an on-going basis, is planning and engineering a County-wide public transportation system (the "Public Transportation System") to serve the County and on an on-going basis is constructing portions of the Public Transportation System; and

WHEREAS, to facilitate the development and construction of the Public Transportation System, as authorized by the Act, the LACMTA by resolution adopted June 23, 1993 (the "1993 CP Authorizing Resolution"), authorized and implemented a commercial paper program (the "CP Program") involving the issuance, from time to time, of the Subordinate Proposition C Sales Tax Revenue Commercial Paper Notes, Series A (the "CP Notes") for the purpose of providing for the financing of the acquisition and construction of the Public Transportation System, provided that the aggregate principal amount of CP Notes and Reimbursement Obligations (as

defined in the 1993 CP Authorizing Resolution) outstanding at any time shall not exceed \$150,000,000; and

WHEREAS, the CP Notes and other obligations incurred in connection with the CP Program are issued under and secured by the Subordinate Trust Agreement, dated as of June 1, 1993 (the “Subordinate Trust Agreement”), by and between the LACMTA and U.S. Bank National Association, as successor to Bank of America National Trust and Savings Association, as trustee (the “Trustee”), and the First Supplemental Subordinate Trust Agreement, dated as of June 1, 1993 (the “Original First Supplemental Subordinate Trust Agreement”), by and between the LACMTA and the Trustee, as amended by Amendment No. 1 to First Supplemental Subordinate Trust Agreement, dated as of October 16, 1995 (the “First Amendment”), by and between the LACMTA and the Trustee, Amendment No. 2 to First Supplemental Subordinate Trust Agreement, dated as of July 1, 1996 (the “Second Amendment”), by and between the LACMTA and the Trustee, Amendment No. 3 to First Supplemental Subordinate Trust Agreement, dated as of June 1, 1998 (the “Third Amendment”), by and between the LACMTA and the Trustee, Amendment No. 4 to First Supplemental Subordinate Trust Agreement, dated as of May 1, 2002 (the “Fourth Amendment”), by and between the LACMTA and the Trustee, Amendment No. 5 to First Supplemental Subordinate Trust Agreement, dated as of January 1, 2008 (the “Fifth Amendment”), by and between the LACMTA and the Trustee, Amendment No. 6 to First Supplemental Subordinate Trust Agreement, dated as of September 1, 2010 (the “Sixth Amendment”), by and between the LACMTA and the Trustee, and the Second Supplemental Subordinate Trust Agreement, dated as of April 1, 2013, as amended (the “Second Supplemental Subordinate Trust Agreement,” and collectively with the Original First Supplemental Subordinate Trust Agreement, the First Amendment, the Second Amendment, the Third Amendment, the Fourth Amendment, the Fifth Amendment and the Sixth Amendment, the “First Supplemental Subordinate Trust Agreement”), by and between the LACMTA and the Trustee; and

WHEREAS, the LACMTA has determined that it is necessary and desirable to have the CP Notes secured by one or more letters of credit (the “Letter of Credit,” or the “Letters of Credit”) that are delivered pursuant to the terms of one or more reimbursement agreements (a “Reimbursement Agreement,” or the “Reimbursement Agreements”) each between the LACMTA and one or more providers of a Letter of Credit (a “Letter of Credit Provider,” or the “Letter of Credit Providers”) that sets forth the terms and conditions for the repayment by the LACMTA of Reimbursement Obligations; and

WHEREAS, the CP Notes are currently secured by a Letter of Credit (the “State Street Letter of Credit”) provided by State Street Bank and Trust Company (“State Street”) in the maximum stated amount of \$74,999,724, which expires on April 22, 2016; and

WHEREAS, the LACMTA now desires to replace the State Street Letter of Credit with a Letter of Credit (the “Bank of America Letter of Credit”) to be issued by Bank of America, N.A. (“Bank of America”) or by such other Letter of Credit Provider that may be selected by the LACMTA from the pool of respondents to the LACMTA’s “Request for Proposal for Letters of Credit or Alternate Credit Facilities” (the “Bank RFP”) distributed to potential respondents on December 10, 2015 (each an “Other Letter of Credit Provider”), with a stated amount of \$74,999,724; and

WHEREAS, so long as the CP Program is active, the LACMTA deems it necessary and desirable to have one or more Letters of Credit securing the payment of principal of and interest on the CP Notes as they mature from time to time; and

WHEREAS, Section 5922 of the Government Code of the State of California provides that in connection with, or incidental to, the issuance or carrying of bonds (which is defined to include notes) any public entity may enter into any contracts which the public entity determines to be appropriate to place the obligations represented by the bonds, in whole or in part, on the interest rate, cash flow or other basis desired by the public entity, including without limitation contracts providing for payments based on levels of, or changes in, interest rates or stock or other indices, or contracts to exchange cash flows or a series of payments, in each case to hedge payment, rate, spread or similar exposure; and

WHEREAS, pursuant to Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreement(s) to be entered into in connection with, or incidental to, the CP Program, will reduce the amount and duration of interest rate risk with respect to the CP Notes and are designed to reduce the amount or duration of payment, rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the CP Notes or enhance the relationship between risk and return with respect to investments; and

WHEREAS, in order to minimize debt service and maximize benefits to the LACMTA, the LACMTA will enter into one or more Reimbursement Agreements with Bank of America or such Other Letter of Credit Provider which will provide one or more Letters of Credit that will separately secure the payment of principal of and interest on certain designated CP Notes as issued and maturing from time to time; and

WHEREAS, Bank of America or such Other Letter of Credit Provider will provide credit support for \$68,885,000 in aggregate principal amount of the Notes (which is only a portion of the \$150,000,000 authorized under the 1993 Authorizing Resolution); and

WHEREAS, the LACMTA has determined that it is in the best interests of the LACMTA to secure an additional \$75,000,000 aggregate principal amount of short-term borrowing capacity in order to facilitate the development and construction of the Public Transportation System; and

WHEREAS, in addition to the Notes, pursuant to the terms of the Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement, the LACMTA is authorized to issue and/or incur, from time to time, Subordinate Obligations in the form of Subordinate Proposition C Sales Tax Revenue Revolving Obligations (the “Subordinate Revolving Obligations”), in an aggregate principal amount not to exceed \$75,000,000 outstanding at any one time; and

WHEREAS, the Subordinate Revolving Obligations are issued and/or incurred in the form of one or more revolving lines of credit (a “Revolving Line of Credit”) provided by one or more providers of such Revolving Lines of Credit (a “Line of Credit Provider”); and

WHEREAS, the Revolving Line of Credit (the “Wells Fargo Revolving Line of Credit”) is currently provided by Wells Fargo Bank, National Association (“Wells Fargo”) pursuant to the

Revolving Credit Agreement, dated as of April 1, 2013, by and between the LACMTA and Wells Fargo, which is scheduled to expire on April 22, 2016; and

WHEREAS, the LACMTA now desires to either renew the Wells Fargo Revolving Line of Credit or replace the Wells Fargo Revolving Line of Credit with one or more Revolving Lines of Credit to be provided by such other Line of Credit Provider(s) that may be selected by the LACMTA from the pool of respondents to the Bank RFP (each an “Other Line of Credit Provider”); and

WHEREAS, the Revolving Line of Credit will be provided to the LACMTA by Wells Fargo or such Other Line of Credit Provider, as applicable, pursuant to a revolving credit agreement (each a “Credit Agreement”) to be entered into by and between the LACMTA and Wells Fargo or such Other Line of Credit Provider, as applicable, whereby the LACMTA will be allowed to request Advances (as defined in the applicable Credit Agreement), from time to time, in an aggregate principal amount not to exceed \$75,000,000 at any one time outstanding to finance or refinance on either a reimbursement or forward funding basis the acquisition, construction, rehabilitation or equipping of facilities authorized under the Act and Ordinance No. 49 (including, but not limited to facilities to be used as part of a Public Transportation System), to finance certain costs of issuance and for any other financing needs of the LACMTA authorized under the Act and Ordinance No. 49 (including, but not limited to, the refunding and restructuring of existing indebtedness of the LACMTA); and

WHEREAS, the Advances, the Revolving Loans (as defined in the applicable Credit Agreement) and the Term Loans (as defined in the applicable Credit Agreement) will be incurred pursuant to the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement and the applicable Credit Agreement; and

WHEREAS, the obligations incurred by the LACMTA pursuant to the terms of the Credit Agreement (including, but not limited to, the Advances, the Revolving Loans and the Term Loans) will be limited obligations of the LACMTA, secured by, and payable from, Net Pledged Revenues and such other funds and accounts as provided in the Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement and will be evidenced by one or more promissory notes; and

WHEREAS, the Advances, the Revolving Loans and the Term Loans may be incurred under the Credit Agreement whereby the interest paid by the LACMTA on such Advances, Revolving Loans and Term Loans may be (i) excluded from the gross income of the recipients thereof under the varying provisions of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder or related thereto (collectively, the “Code”) and/or (ii) included in the gross income of the recipients thereof under the Code; and

WHEREAS, forms of the following documents are on file with the Secretary of the Board of Directors of the LACMTA and have been made available to the members of the Board of Directors of the LACMTA (the “Board”):

- (a) with respect to the CP Program, the CP Notes, the Letter of Credit and the Reimbursement Agreement:

(i) a Letter of Credit Reimbursement Agreement (the “Bank of America Reimbursement Agreement”), that will be entered into by the LACMTA and Bank of America in connection with the issuance of the Bank of America Letter of Credit by Bank of America;

(ii) a Fee Agreement (the “Bank of America Fee Agreement”), that will be entered into by the LACMTA and Bank of America; and

(iii) a Reimbursement Note (the “Bank of America Reimbursement Note,” and collectively, with the Bank of America Reimbursement Agreement and the Bank of America Fee Agreement, the “CP Documents”), that will be executed and delivered by the LACMTA to evidence its reimbursement obligations under the Bank of America Reimbursement Agreement and the Bank of America Fee Agreement; and

(b) with respect to the Subordinate Revolving Obligations and the Revolving Line of Credit

(i) a Third Supplemental Subordinate Trust Agreement (the “Third Supplemental Subordinate Trust Agreement”) by and between the LACMTA and the Trustee, which among other things, amends the Second Supplemental Subordinate Trust Agreement;

(ii) an Amended and Restated Credit Agreement (the “Wells Fargo Amended and Restated Credit Agreement”), to be entered into by the LACMTA and Wells Fargo, in connection with the renewal of the Wells Fargo Revolving Line of Credit; and

(iii) a Tax-Exempt Note and a Taxable Note (the “Wells Fargo Revolving Obligation Notes,” and together with the Wells Fargo Amended and Restated Credit Agreement, the “Revolving Obligations Documents”), that will be executed and delivered by the LACMTA to evidence its payment and reimbursement obligations under the Wells Fargo Amended and Restated Credit Agreement; and

WHEREAS, the LACMTA has been advised by its Bond Counsel that such documents are in appropriate form, and the LACMTA hereby acknowledges that said documents will be modified and amended to reflect the various details applicable to the CP Program, the CP Notes, the Letter of Credit, the Reimbursement Agreement, the Subordinate Revolving Obligations and the Revolving Lines of Credit; and

WHEREAS, in the event the LACMTA decides that it is in its best interests to replace the State Street Letter of Credit with a Letter of Credit to be issued by an Other Letter of Credit Provider, instead of the Bank of America Letter of Credit, the LACMTA will (a) enter into a Reimbursement Agreement with the Other Letter of Credit Provider that is substantially similar to the form of the Bank of America Reimbursement Agreement now on file with the Secretary of the Board, (b) will enter into a fee agreement with the Other Letter of Credit Provider that is substantially similar to the form of the Bank of America Fee Agreement now on file with the

Secretary of the Board, and (c) execute and deliver a reimbursement note that is substantially similar to the form of the Bank of America Reimbursement Note now on file with the Secretary of the Board; and

WHEREAS, in the event the LACMTA decides that it is in its best interests to replace the Wells Fargo Revolving Line of Credit with a Revolving Line of Credit to be provided by an Other Line of Credit Provider, instead of renewing the Wells Fargo Revolving Line of Credit, the LACMTA will (a) enter into a Credit Agreement with the Other Line of Credit Provider that is substantially similar to the form of the Wells Fargo Amended and Restated Credit Agreement now on file with the Secretary of the Board, and (b) execute and deliver tax-exempt and taxable notes that are substantially similar to the form of the Wells Fargo Revolving Obligation Notes now on file with the Secretary of the Board; and

WHEREAS, terms used in this Resolution and not otherwise defined herein shall have the meanings assigned to them in the Subordinate Trust Agreement, the First Supplemental Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY, AS FOLLOWS:

**Section 1. Findings.**

(a) The foregoing recitals are true and correct and the LACMTA so finds and determines.

(b) The issuance and/or incurrence of the Subordinate Revolving Obligations, from time to time, and the payment of certain costs related thereto, if determined by a Designated Officer (as hereinafter defined) to be in the best interest of the LACMTA, are in the public interest.

**Section 2. Approval of CP Documents; Authorization for Execution.** The LACMTA hereby approves the appointment of Bank of America, or such Other Letter of Credit Provider selected and appointed by a Designated Officer (as defined below), as the provider of the Letter of Credit (in a stated amount of \$74,999,724) with respect to the CP Program and the CP Notes. The form, terms and provisions of the CP Documents are in all respects approved and the Chief Executive Officer (“CEO”) of the LACMTA, the Executive Director, Finance and Budget of the LACMTA, any Treasurer of the LACMTA, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity, and any written designee of any of them (each a “Designated Officer”), any one or more thereof, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the CP Documents including counterparts thereof, in the name and on behalf of the LACMTA. The CP Documents, as executed and delivered, shall be in substantially the forms now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the CP Documents now on file with the Secretary of the Board and made available to



the Board; and from and after the execution and delivery of the CP Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the CP Documents.

If a Designated Officer determines that it is in the LACMTA's best interests to replace the State Street Letter of Credit with a Letter of Credit to be issued by an Other Letter of Credit Provider, instead of the Bank of America Letter of Credit, the Designated Officers are hereby authorized to (a) enter into a Reimbursement Agreement with the Other Letter of Credit Provider that is substantially similar to the form of the Bank of America Reimbursement Agreement (an "Alternate Reimbursement Agreement") now on file with the Secretary of the Board and made available to the Board and approved above, (b) enter into a fee agreement with the Other Letter of Credit Provider that is substantially similar to the form of the Bank of America Fee Agreement (an "Alternate Fee Agreement") now on file with the Secretary of the Board and made available to the Board and approved above, and (c) execute and deliver a reimbursement note that is substantially similar to the form of the Bank of America Reimbursement Note (the "Alternate Reimbursement Note," and collectively with the Alternate Reimbursement Agreement and the Alternate Fee Agreement, the "Alternate CP Documents") now on file with the Secretary of the Board and made available to the Board and approved above. The Alternate CP Documents, as executed and delivered, shall be substantially similar to the forms of the CP Documents now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the CP Documents now on file with the Secretary of the Board and made available to the Board; and from and after the execution and delivery of the Alternate CP Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate CP Documents.

The LACMTA hereby determines that entering into one or more Reimbursement Agreements with Bank of America or such Other Letter of Credit Provider pursuant to Section 5922 of the Government Code of the State of California would be designed to reduce the LACMTA's cost of borrowing for the CP Notes. In addition to the provisions set forth in the previous paragraph, no Designated Officer shall enter into a Reimbursement Agreement with Bank of America or such Other Letter of Credit Provider unless (a) such Reimbursement Agreement is designed (i) to reduce or hedge the amount or duration of any payment, interest rate, spread or similar risk, or (ii) to result in a lower cost of borrowing when used in combination with the issuance of the CP Notes, (b) the term of such Reimbursement Agreement does not exceed the Program Termination Date; (c) the amount of Letters of Credit issued pursuant to the terms of the respective Reimbursement Agreements does not exceed the principal amount of the CP Notes issuable under the CP Program; and (d) the amounts payable by the LACMTA with respect to such Reimbursement Agreements shall be payable solely and exclusively from Net Pledged Revenues. In accordance with Section 5922 of the Government Code of the State of California, the LACMTA hereby finds and determines that the Reimbursement Agreements entered into in accordance with this Resolution and consistent with the requirements set forth herein is designed to reduce the amount or duration of payment,

interest rate, spread or similar risk or result in a lower cost of borrowing when used in combination with the CP Notes.

**Section 3. Additional Authorization – CP Program.** The Designated Officers and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the CP Documents or the Alternate CP Documents and to carry out the terms thereof. The Designated Officers and all other officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to execute all papers, documents, certificates and other instruments and take all other actions that may be required in order to carry out the authority conferred by this Resolution or the provisions of the CP Documents or the Alternate CP Documents or to evidence said authority and its exercise. In connection with the execution and delivery of the CP Documents and the issuance of the Bank of America Letter of Credit or the execution and delivery of the Alternate CP Documents and the issuance of a Letter of Credit by an Other Letter of Credit Provider, the LACMTA is hereby authorized and directed to prepare and cause to be distributed, from time to time, one or more commercial paper offering memoranda with respect to the CP Notes. All actions heretofore taken by the officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

**Section 4. Issuance and/or Incurrence and Terms of Subordinate Revolving Obligations.** For the purposes set forth in the foregoing recitals, the LACMTA is hereby authorized to (a) issue and/or incur, from time to time, the Subordinate Revolving Obligations in the form of the Revolving Lines of Credit to be provided by Wells Fargo or such Other Line of Credit Provider, as applicable, pursuant to one or more Credit Agreements (including the Wells Fargo Amended and Restated Credit Agreement or the Alternate Credit Agreement (as hereinafter defined)), provided that the aggregate principal amount of all Subordinate Revolving Obligations outstanding at any time shall not exceed \$75,000,000, and (b) incur the other Obligations (as defined in the applicable Credit Agreement) under each Credit Agreement, the Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement. Wells Fargo's or such Other Line of Credit Provider's commitment to make Advances under the applicable Credit Agreement shall have a term not exceeding three years from the date of execution of the applicable Credit Agreement unless such date is earlier terminated pursuant to the terms of the applicable Credit Agreement or extended, reduced or rescinded by a subsequent resolution of the LACMTA (and approved by Wells Fargo or such Other Line of Credit Provider, as applicable), and any Term Loan made under each Credit Agreement shall have a term not exceeding three years from the date such Term Loan is made by Wells Fargo or such Other Line of Credit Provider. The outstanding principal amount of each Revolving Loan and each Term Loan shall bear interest at the interest rates set forth in each Credit Agreement. Notwithstanding anything to the contrary in the previous sentence or the provisions of this Resolution, interest payable by the LACMTA on any Revolving Loan or Term Loan shall not exceed the Maximum Rate (as defined in the applicable Credit Agreement); provided, however, if the rate of interest calculated in accordance with the terms of each Credit Agreement exceeds the Maximum Rate, interest at the rate equal to the difference between the rate of interest calculated in accordance with the terms of the applicable Credit Agreement and the Maximum Rate shall be deferred until such date as the rate of interest calculated in accordance with the terms of the applicable Credit Agreement ceases to exceed the Maximum Rate, at which time the LACMTA shall pay Wells

Fargo or such Other Line of Credit Provider, as applicable, the deferred interest as provided in the applicable Credit Agreement.

The Revolving Lines of Credit are being obtained to provide funds, from time to time, to finance on either a reimbursement or forward funding basis the acquisition, construction, rehabilitation and equipping of facilities authorized under the Act and Ordinance No. 49 (including, but not limited to facilities to be used as part of a Public Transportation System), to finance certain costs of issuance and for any other financing needs of the LACMTA authorized under the Act and Ordinance No. 49 (including, but not limited to, the refunding and restructuring of existing indebtedness of the LACMTA).

The LACMTA shall be obligated to repay Wells Fargo or such Other Line of Credit Provider, as applicable, for all Advances, Revolving Loans and Term Loans and pay all Obligations owed to Wells Fargo or such Other Line of Credit Provider, as applicable, and such Advances, Revolving Loans, Term Loans and Obligations shall be payable, both with respect to interest and principal as provided for in the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement, each Credit Agreement and the Wells Fargo Revolving Obligation Notes and the Alternate Revolving Obligation Notes (as hereinafter defined, and together with the Wells Fargo Revolving Obligation Notes, the “Subordinate Revolving Obligation Notes”). The Advances, the Revolving Loans and the Term Loans may be incurred under each Credit Agreement whereby the interest paid by the LACMTA on such Revolving Loans and Term Loans is excluded from gross income for federal income tax purposes or not excluded or part excluded and part not excluded in such combination as is acceptable to the Designated Representative (as hereinafter defined) authorizing the same.

The terms of each Advance shall, consistent with this Resolution and the Second Supplemental Subordinate Trust Agreement, be set forth in a Request for Advance and Revolving Loan (as described in the applicable Credit Agreement) delivered to Wells Fargo or such Other Line of Credit Provider, as applicable, by a Designated Representative.

**Section 5. Pledge to Secure the Advances, the Revolving Loans, the Term Loans, the Notes and the Obligations – Subordinate Revolving Obligations.** The LACMTA hereby approves the pledge to secure the Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Obligations as set forth in the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement, each Credit Agreement and the Subordinate Revolving Obligation Notes.

**Section 6. Limited Obligations; Subordinate Obligations - Subordinate Revolving Obligations.** The Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the applicable Credit Agreement) shall be limited obligations of the LACMTA, secured by, have a lien on and be payable from, Net Pledged Revenues and from the funds and accounts held by the Trustee and the LACMTA under the Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement, as and to the extent therein described. The Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the

applicable Credit Agreement) shall also be secured by and be paid from such other sources as the LACMTA may hereafter provide, including, but not limited to, proceeds of additional borrowings for such purpose and any applicable state or federal grants received by the LACMTA.

The Subordinate Revolving Obligations shall be issued, from time to time, as Subordinate Obligations as provided for in Section 2.09 of the Subordinate Trust Agreement.

The Obligations (other than Reimbursement Obligations (as defined in the applicable Credit Agreement) and payment of principal of and interest on the Subordinate Revolving Obligation Notes) shall be secured by and have a lien on Net Pledged Revenues junior and subordinate in all respects to the liens on, security interest in and pledges of the Net Pledged Revenues granted to the Subordinate Obligations (including, but not limited to, the Subordinate Revolving Obligations, the Advances, the Revolving Loans, the Term Loans, the Subordinate Revolving Obligation Notes and the Reimbursement Obligations (as defined in the applicable Credit Agreement)).

**Section 7. Approval of Revolving Obligations Documents; Authorization for Execution - Subordinate Revolving Obligations.** The LACMTA hereby approves the appointment of Wells Fargo, or such Other Line of Credit Provider selected and appointed by a Designated Officer, as the provider of the Revolving Line of Credit with respect to the Subordinate Revolving Obligations. The form, terms and provisions of the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents are in all respects approved and the Designated Officers, any one or more thereof, are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents including counterparts thereof, in the name and on behalf of the LACMTA. The Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents, as executed and delivered, shall be in substantially the forms now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents now on file with the Secretary of the Board and made available to the Board; and from and after the execution and delivery of the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents.

If a Designated Officer determines that it is in the LACMTA's best interests to replace the Wells Fargo Revolving Line of Credit with a Revolving Line of Credit to be provided by an Other Line of Credit Provider, instead of renewing the Wells Fargo Revolving Line of Credit, the Designated Officers are hereby authorized to (a) enter into a Credit Agreement with the Other Line of Credit Provider that is substantially similar to the form of the Wells Fargo Amended and Restated Credit Agreement (an "Alternate Credit Agreement") now on file with the Secretary of the Board and made available to the Board and approved above, and (b) execute and deliver tax-

exempt and taxable notes that are substantially similar to the form of the Wells Fargo Revolving Obligation Notes (the “Alternate Revolving Obligation Notes” and together with the Alternate Credit Agreement, the “Alternate Revolving Obligations Documents” now on file with the Secretary of the Board and made available to the Board and approved above. The Alternate Revolving Obligations Documents, as executed and delivered, shall be substantially similar to the forms of the Revolving Obligations Documents now on file with the Secretary of the Board and made available to the Board and hereby approved, or with such changes therein as shall be approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board’s approval of any and all changes or revisions therein from the forms of the Revolving Obligations Documents now on file with the Secretary of the Board and made available to the Board; and from and after the execution and delivery of the Alternate Revolving Obligations Documents, the officers, agents and employees of the LACMTA are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Alternate Revolving Obligations Documents.

**Section 8. Trustee, Paying Agent and Registrar – Subordinate Revolving Obligations.** U.S. Bank National Association is hereby appointed as Trustee, Paying Agent and Registrar for the Subordinate Revolving Obligations. Such appointments shall be effective upon the adoption of this Resolution and shall remain in effect until the LACMTA, by supplemental agreement, resolution or other action, shall name a substitute or successor thereto.

**Section 9. Designated Representatives – Subordinate Revolving Obligations.** The Board hereby appoints the Chair of the LACMTA, any Vice Chair of the LACMTA, the CEO of the LACMTA, the Executive Director, Finance and Budget of the LACMTA, any Treasurer of the LACMTA, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity and any other persons the CEO may designate to serve, as “Designated Representatives” of the LACMTA under the terms of this Resolution, the Second Supplemental Subordinate Trust Agreement and each Credit Agreement. The Designated Representatives are, and each of them is, hereby authorized and are hereby directed to perform those duties set forth in the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents, including, without limitation, the execution of a Request for Advance and Revolving Loan (as described in the applicable Credit Agreement). The Designated Representatives are, and each of them is, also authorized to make representations, certifications and warranties in connection with implementing and obtaining the Revolving Lines of Credit and the issuance and/or incurrence of Advances, Revolving Loans and Term Loans as and when required in the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents, and the certifications and agreements relating to the federal tax exemption with regards to certain advances. The Designated Representatives are hereby further authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents.

**Section 10. Authorized Authority Representative – Subordinate Revolving Obligations.** The Board hereby designates the Executive Director, Finance and Budget of the LACMTA, any Treasurer of the LACMTA, any Assistant Treasurer of the LACMTA, or any such officer serving in an acting or interim capacity, as an Authorized Authority Representative for all purposes under the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement and each Credit Agreement and with respect to the Subordinate Revolving Obligations, the Revolving Lines of Credit, the Advances, the Revolving Loans, the Term Loans and the Subordinate Revolving Obligation Notes. Such appointments shall remain in effect until modified by resolution.

**Section 11. Additional Authorization – Subordinate Revolving Obligations.** Each Designated Officer and all officers, agents and employees of the LACMTA, for and on behalf of the LACMTA, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of the Third Supplemental Subordinate Trust Agreement, the Revolving Obligations Documents or the Alternate Revolving Obligations Documents and to carry out the terms thereof. Each Designated Officer, each Designated Representative and all officers, agents and employees of the LACMTA are further authorized and directed, for and on behalf of the LACMTA, to execute all papers, documents, certificates and other instruments that may be required in order to carry out the authority conferred by this Resolution, the Subordinate Trust Agreement, the Second Supplemental Subordinate Trust Agreement, the Third Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents or to evidence the same authority and its exercise. The foregoing authorization includes, but is in no way limited to, authorizing LACMTA staff to pay costs of issuance of implementing and obtaining the Revolving Lines of Credit and fees and costs of Wells Fargo or such Other Line of Credit Provider, as applicable, authorizing the investment of the proceeds of the Advances in one or more of the permitted investments provided for under the Subordinate Trust Agreement and the Second Supplemental Subordinate Trust Agreement, and authorizing the execution by a Designated Officer, or any one of them, of one or more tax compliance certificates as required by the Second Supplemental Subordinate Trust Agreement and the Revolving Obligations Documents or the Alternate Revolving Obligations Documents for the purpose of complying with the rebate requirements of the Code. All actions heretofore taken by the officers, agents and employees of the LACMTA in furtherance of this Resolution are hereby confirmed, ratified and approved.

**Section 12. Severability.** The provisions of this Resolution are hereby declared to be severable, and, if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

**Section 13. Effective Date.** This Resolution shall be effective upon adoption by the Board.

CERTIFICATION

The undersigned, duly qualified and acting as Board Secretary of the Los Angeles County Metropolitan Transportation Authority, certifies that the foregoing is a true and correct copy of the Resolution adopted at a legally convened meeting of the Board of Directors of the Los Angeles County Metropolitan Transportation Authority held on \_\_\_\_\_, 2016.

[SEAL]

By \_\_\_\_\_  
Board Secretary, Los Angeles County  
Metropolitan Transportation Authority

Dated: \_\_\_\_\_, 2016

# **Prop A and Prop C Commercial Paper / Short-Term Borrowing Programs**

**Board Meeting  
February 25, 2016**



# Proposition A & Proposition C Short-Term Borrowing Programs

- Prop A and Prop C short-term borrowing programs, provide interim funding for our capital programs.
- **Seeking Authorization to:**
  - Renew agreements with Sumitomo Mitsui, MUFG Union Bank and Wells Fargo
  - Replace State Street Bank with Bank of America
  - Increase Prop A capacity by \$50 million due to the size of our construction program
- Bank fees for new bank agreements are lower for both Prop A and Prop C, reducing expected costs by approximately \$450,000 over three years



**Metro**

# Proposition A & Proposition C Short-Term Borrowing Programs Key Features

Short-Term Borrowing Programs			
	Proposition A	Proposition C	Total
<b>Total Program Authorization</b>	\$350,000,000	\$150,000,000	\$500,000,000
<b>Capacity</b>	\$200,000,000	\$150,000,000	\$350,000,000
<b>Amount outstanding</b>	\$62,500,000	\$63,624,000	\$126,124,000
<b>Issuance Date</b>	03/08/2016	03/29/2016	
<b>Expiration</b>	03/08/2019	03/29/2019	
<b>Liquidity Providers</b>	Sumitomo Mitsui (\$125 million)  MUFG Union Bank (\$75 million)	Bank of America (\$75 million)  Wells Fargo (\$75 million)	



Metro



**Board Report**

**File #:** 2016-0097, **File Type:** Contract

**Agenda Number:** 59.

**REGULAR BOARD MEETING  
FEBRUARY 25, 2016**

**PROJECT: WESTSIDE PURPLE LINE EXTENSION  
CONTRACT C1078 MAINTENANCE OF WAY/NON-REVENUE VEHICLE MAINTENANCE  
BUILDING**

**ACTION: APPROVE LIFE OF PROJECT (LOP) BUDGET INCREASE AND AUTHORIZE THE  
CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A FUTURE  
CONTRACT MODIFICATION**

**RECOMMENDATION**

CONSIDER:

- A. APPROVE the staff recommendation to increase Life of Project (LOP) Budget by \$5,000,000 from \$2,773,879,593 to \$2,778,879,593 for the Westside Purple Line Extension Section 1 Project, No. 865518.
- B. AUTHORIZE the CEO to negotiate and execute Contract Modification No. 1 to Contract C1078, Clark Construction Group to incorporate design direction based on Alternative A1, to revise the Baseline design of the building floor plans and site plan, in an amount not-to-exceed \$4,500,000 increasing the total contract price from \$52,830,310 to \$57,330,310.
- C. AUTHORIZE the CEO to negotiate with the City to allow as-needed access through the MOW site for maintenance vehicles to service the electric and sewer vaults in the 6<sup>th</sup> Street Viaduct right of way.

**ISSUE**

As directed by the July 2015 Metro Board Report Item 40.1 related to Item 40 for the C1078 Contract - Maintenance of Way/Non-Revenue Vehicle Maintenance Building (MOW Building), staff formed a Design Advisory Working Group to explore the objectives of: 1) site placement of the MOW facility, operational functionality and applicable codes; 2) optimization of parking on the site and 3) adoption of architectural design that reflects Metro's most recent efforts. Although there are aesthetic considerations regarding views and integration with the City of LA 6<sup>th</sup> Street Bridge design, there is no practical design solution that meets all of the objectives set forth by the Board that completely

satisfies the desires and aesthetic preferences. Therefore, a decision must be made to avoid significant delays and inefficiency costs.

## **BACKGROUND**

On July 23, 2015, the Metro Board authorized the Chief Executive Officer (CEO) to award a 28 month firm fixed price contract, under Invitation for Bid No. C1078 to Clark Construction Group for the final design and construction of the Maintenance of Way/Non Revenue Vehicle Maintenance Building to be constructed as part of the Division 20 Yard and Shops expansion for a firm fixed price of \$52,830,310. The Board approval included direction to the CEO to:

Establish a design advisory working group that includes representatives from the following entities:

1. Metro Operations
2. Metro Construction
3. Metro Arts
4. Metro Planning
5. MOW/Design-Build Team
6. City of Los Angeles 6<sup>th</sup> Street Bridge Design-Build Team
7. Arts District Community

B. Report back to the Board on a monthly basis on progress that is made with the advisory group to explore the following objectives:

1. Site placement of the MOW Facility is placed the farthest distance from Santa Fe as allowed by operational functionality and applicable codes.
2. Parking on the site is optimized
3. Adoption of architectural design that reflects Metro's most recent efforts

C. Report back in 60 days with a detailed outreach and engagement process for incorporating art into the Maintenance of Way facility including the following elements:

1. Forming a selection panel including Downtown-based art professionals to select the artist to work on the Maintenance of Way Facility
2. Soliciting larger arts district and community feedback for consideration in artist selection from the existing MTA pre-approved artist pool.
3. Coordination with the aforementioned Design Advisory Working Group.

## **DISCUSSION**

Following the award of the C1078 Contract, Notice to Proceed (NTP) was issued to Clark

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Construction Group on September 30, 2015 and staff has held meetings with the Design Advisory Working Group and provided monthly progress reports to the Metro Board of Directors.

The first meeting of the Design Advisory Working Group was held on December 14, 2015. Clark Construction Group's architectural designer (Gruen Associates) presented six alternatives with a brief analysis of how each of the alternatives met the objectives directed by the Metro Board. Site placement of the MOW Facility to place it the farthest distance from Santa Fe was severely constrained by the presence of an existing 90" City of LA storm drain located in the northeast corner of the site, which would add significant cost and schedule impacts and concerns by the City of LA related to construction of the MOW building over the storm drain. Based on this major constraint, the number of alternatives was reduced to two alternative locations.

The second meeting was held on January 28, 2016 to further review the analysis of the alternatives prepared by Clark Construction Group's architectural designer (Gruen Associates) to ensure that each alternative met the objectives directed by the Metro Board. After initial review, two alternative locations to the base design have emerged:

- **Alternative A1 Mirror Image**
- **Alternative C1 Triangular Shaped**

Evaluation of how each alternative meets the objectives-based on recent feedback and analysis is summarized in Attachment D and are described as follows:

1. Property Ownership - Two properties are required for the MOW Building. Metro has acquired one property and is in the process of conducting a property exchange for the second property. The baseline design as awarded by the Metro Board, as well as Alternative A1, would allow construction to begin on the property that is already under Metro ownership. Alternative C1, however, would delay construction of the building until a right of access can be secured for the second property. Also, both Alternatives will be impacted if the City of LA requires access rights through Metro's MOW Building site.
2. Track Access/Length - The MOW Building requires direct track access from the adjacent Division 20 Rail yard dictating that the location of the building on the site be governed by track geometry and distance. A recent property acquisition of a portion of the Lucky Brand Jeans property by the City of LA for the 6<sup>th</sup> Street Bridge Project requires that an accommodation to the baseline design will need to be made to allow for this track connection. Both of the alternatives that would move the MOW Building to the north could provide this track access. However, Alternative A1 adds more track length and potential costs if the City of LA requires structural supports if the track is located over the 90" City of LA storm drain.
3. Functionality/Circulation - The building program for the MOW Building requires approximately 86,000 square feet and 208 parking spaces. The floor plans have specific size and adjacency requirements and parking for maintenance and employee vehicles must be maintained to

ensure operational functionality. Feedback from Metro Rail Operations indicates that Alternative A1, which is a mirror image of the plan originally approved, still meets the objectives. Alternative C1 which is a triangular shaped building could potentially provide the necessary floor space despite some operational challenges due to the non-rectilinear rooms. However, Alternative C1 would only provide 153 parking spaces (26% reduction). Additional parking in an underground configuration is possible; however the costs of such construction would greatly exceed the project budget. One offsite parking opportunity has been identified on land owned by the City of Los Angeles (former "Gallo Property"), but it would not be available for several years and is encumbered by a railroad easement that would preclude its use at this time.

4. View to the Bridge (new 6<sup>th</sup> Street Bridge) - The site location and massing of the building should aesthetically complement the views of the new 6<sup>th</sup> Street Bridge which is currently in the early phases of construction. Alternative A1 would improve the view of the future bridge in comparison to the baseline design. Alternative C1 is more desirable because the geometry, form and axis of the building would better provide view corridors from the surrounding streets to the west.

5. Cost and Schedule Impacts of Alternative MOW Building Designs:

The following assumptions are based on information provided by the C1078 Design/Build Contractor, Clark Construction Group:

Alternative A1 -

- a. Additional Cost (ROM) - \$3.97 Million
- b. Schedule Impact ROM - An additional 4 months beyond current Substantial Completion
- c. Assumptions/Clarifications:
  - i. Assumes Building Pad Over-excavation/Compaction for new location
  - ii. Assumes Metro direction is to be provided on 2/5/2016
  - iii. Setback Requirements need further review based on building location
  - iv. Assumes no contaminated soil will be encountered
  - v. Assumes in rack sprinklers are not required
  - vi. Excludes property purchase costs (To be handled by Metro)

Alternative C1

- d. Additional Cost (ROM) - \$5.65 Million
- e. Schedule Impact ROM - An additional 6 months beyond current Substantial Completion
- f. Assumptions/Clarifications:

- i. Assumes Building Pad Over-excavation/Compaction for new location
- ii. Assumes Metro direction is to be provided on 2/5/2016
- iii. Excludes property purchase costs (To be handled by Metro)
- iv. Assumes subsurface features are removed by others for "triangular" property
- v. Assumes no contaminated soil will be encountered
- vi. Assumes in rack sprinklers are not required
- vii. Assumes property will be available to meet Construction Schedule.

The Rough Order Magnitude (ROM) costs and schedule impacts above were based on Metro providing direction by 2/5/2016. If an Alternative from the Baseline is selected, contingency for additional cost and schedule impacts of at least 3 months should be added to allow staff to negotiate the change and execute a Contract Modification to the C1078 Contract with Clark Construction Group.

### **DETERMINATION OF SAFETY IMPACT**

As this is an operations and maintenance facility, the current baseline design has been reviewed by Metro staff. However, if Alternative A1 is approved, it will need to be evaluated during Final Design development to ensure that it meets Metro's safety standards.

### **FINANCIAL IMPACT**

The Life of Project budget recommendation includes a cost increase of \$5 million to cover the costs to negotiate and execute the Contract Modification, plus contingency and other soft costs. The cost increase can be supported by Measure R 35% Transit Capital funding for this project in the Measure R Expenditure Plan. Approval of the cost increase will reduce funds for the Westside Purple Line Extension Section 3 Project, as discussed in the Attachment G - Measure R Cost Management Process and Policy Analysis.

Since this is a multi-year project, the Executive Director of Program Management and the Westside Purple Line Extension Section 1 Project Manager will be responsible for budgeting costs in future years.

#### **Impact to Budget**

The source of funds for this action is Measure R Transit 35%. The funding for Project No. 865518 was assumed in the Long Range Transportation Plan for the Westside Purple Line Extension Project, and does not have an impact to operations funding sources. Board approval of the Recommendation at this time is required to maintain the overall schedule for the Westside Purple Line Extension Section 1 Project and reduce the potential of schedule delays and their resulting costs. Staff will

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continue to work with the Design Advisory Working Group to review the architectural design of the building including building materials, landscaping and artwork. In the event that further changes in the design result in new costs outside of the approved budget, staff will return to the Board with the status of the current approved Contract Modification Authority of \$5.28 million and a supplemental funding plan for approval.

### **ALTERNATIVE BOARD ACTIONS**

The Board could decide to not approve the staff recommendation to redirect the Clark Construction Groups efforts to proceed with Alternative A1 above. The Board could also select Alternative C1, but this Alternative is not recommended because it does not meet the design objectives described above. Therefore, if neither Alternatives A1 or C1 are approved, the Board could reaffirm the Baseline design that was awarded by the Board in 2015.

### **NEXT STEPS**

If the Board approves the staff recommendation to proceed with Alternative A1, the architectural design of the building including building materials, landscaping and artwork will be developed and reviewed as part of the Design Advisory Working Group process. Staff will continue to work with the Design Advisory Working Group and coordinate with the 6<sup>th</sup> Street Viaduct team to provide input on the design details of the MOW building including the use of color, fenestration, and façade features, the design of the site fencing and other building elements that will impact the community and continue to provide the Board with monthly updates.

### **ATTACHMENTS**

Attachment A - Alternative A1

Attachment B - Alternative C1

Attachment C - Baseline Design

Attachment D - Alternatives Comparison

Attachment E- Procurement Summary

Attachment F - Contract Modification Change Log

Attachment G - Measure R Cost Management Process and Policy Analysis

Attachment H - DEOD Summary

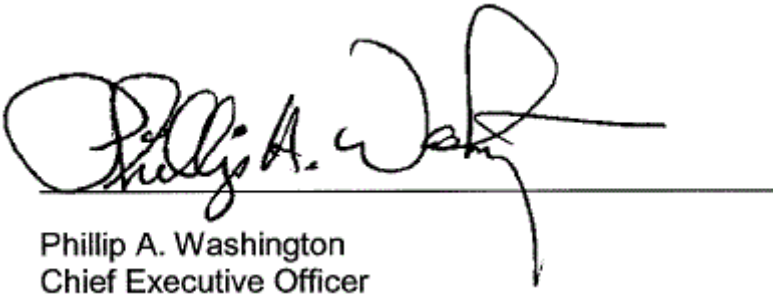


Prepared by:

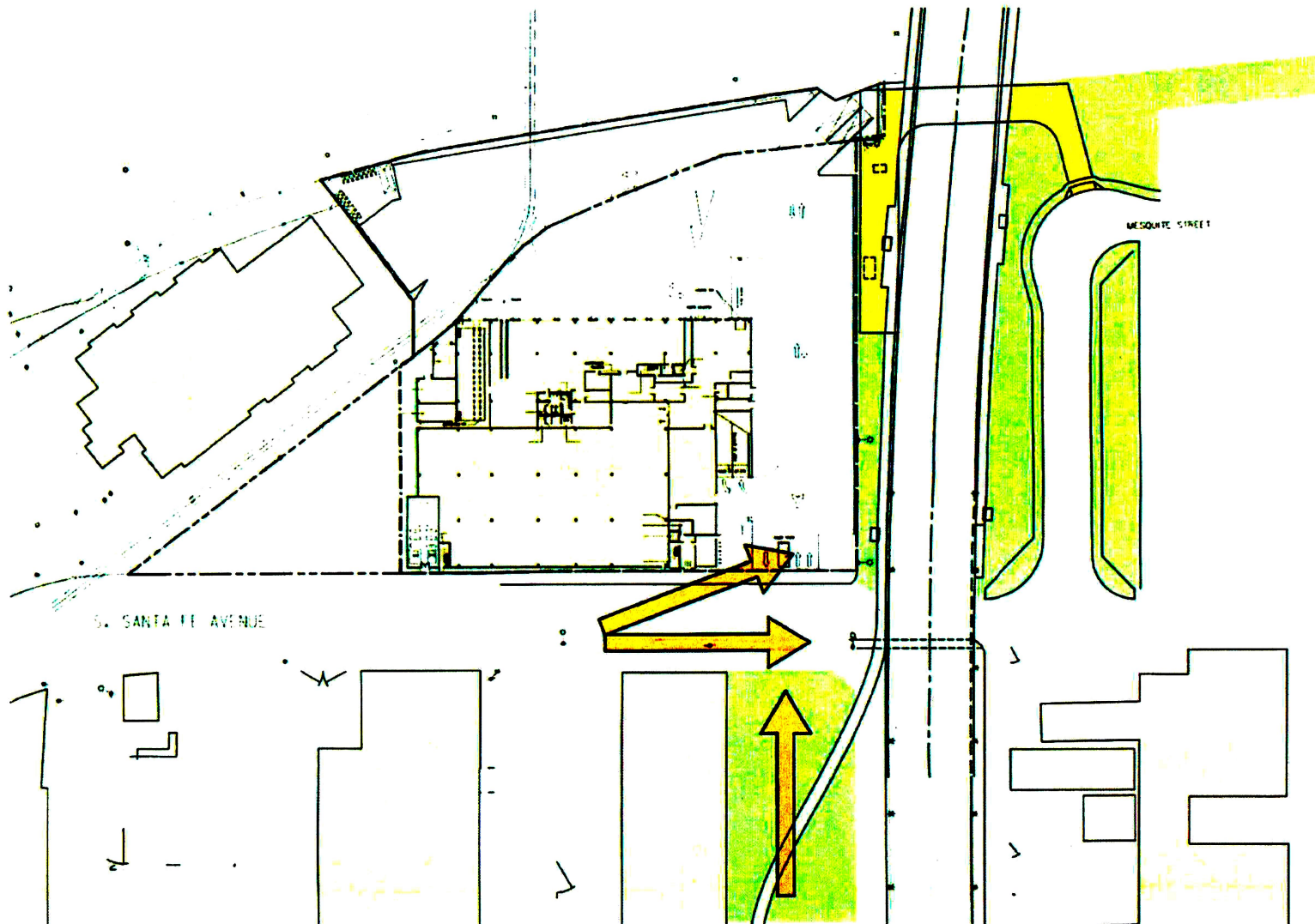
Dennis S. Mori, Executive Officer, Project Director (213) 922-7221

Reviewed by:

Richard Clarke, Executive Director, Program Management (213) 922-7447



Phillip A. Washington  
Chief Executive Officer



**SITE CONSTRAINTS**

**DESIGN GOALS**

- More Industrial / Less Office Park
- Interesting Roofscape - View from Bridge
- Articulating Building / Site Perimeter

PARKING LOT GROUND LEVEL  
LARGE NVR VEHICLES = 60 (59)  
MEDIUM NVR VEHICLES = 40 (45)

BUILDING  
ROADWAYS  
PROPOSED PARK





**SITE CONSTRAINTS**

- ② Property Ownership
- ④ Functionality / Circulation

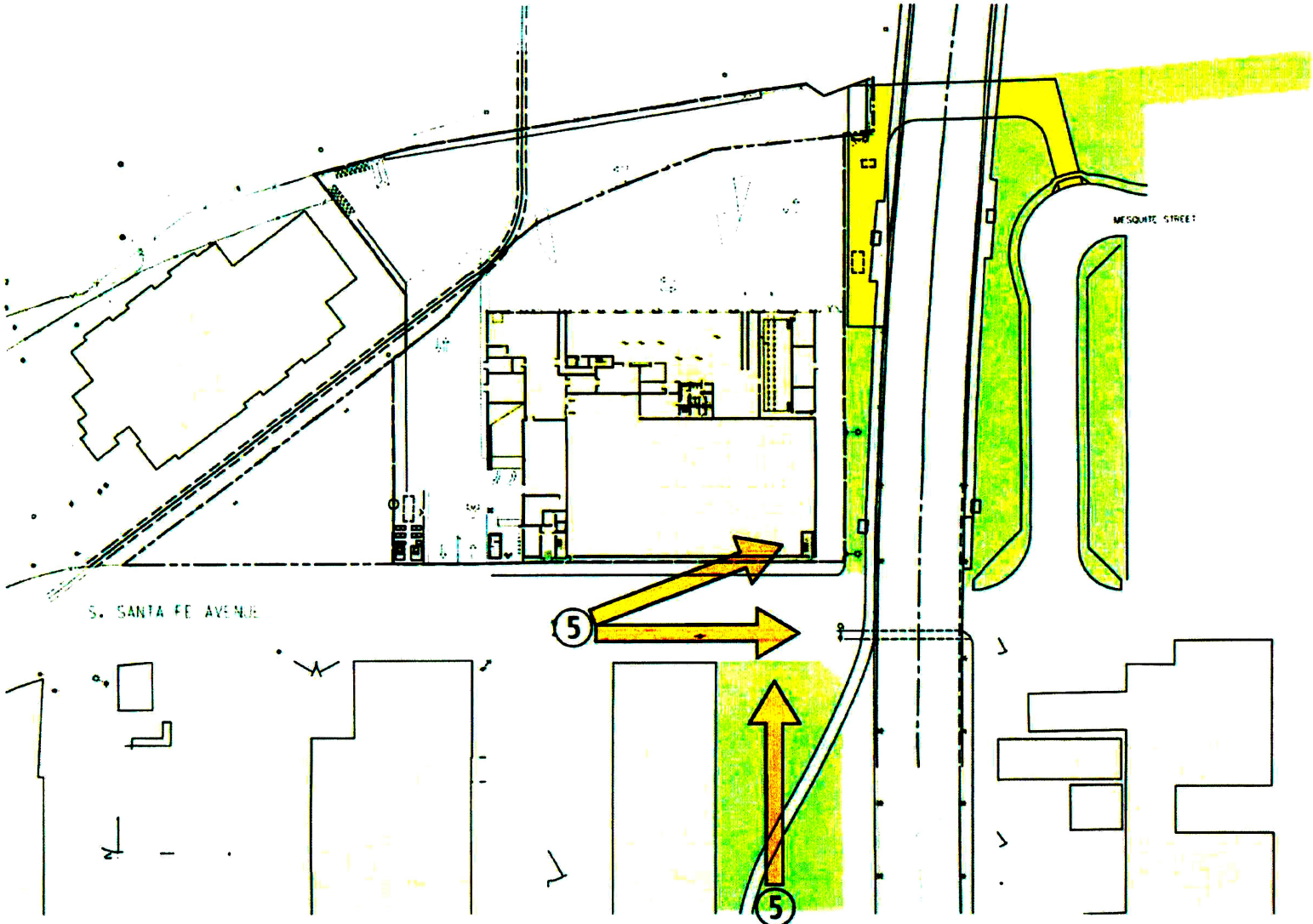
**DESIGN GOALS**

- More Industrial / Less Office Park
- Interesting Roofscape - View from Bridge
- Articulating Building / Site Perimeter

PARKING LOT GROUND LEVEL -  
LARGE NVR VEHICLES = 47 (59)  
MEDIUM NVR VEHICLES = 22 (45)

BUILDING  
ROADWAYS  
■ PROPOSED PARK





SITE CONSTRAINTS

⑤ View to New Bridge

BUILDING  
ROADWAYS  
PROPOSED PARK



**Westside Purple Line Extension Maintenance Of Way Building - Alternatives Comparison**

**Attachment D**

<i><b>Design</b></i>	<i><b>Site Placement from Santa Fe</b></i>	<i><b>Parking On Site is Optimized</b></i>	<i><b>Adoption of Architectural Design</b></i>	<i><b>Design Operational Functionality</b></i>	<i><b>90" Diameter City of LA Storm Drain</b></i>	<i><b>Property Ownership</b></i>	<i><b>Track Access Length</b></i>	<i><b>Functionality Circulation</b></i>	<i><b>View to New Bridge</b></i>
<i><b>Baseline</b></i>	<i>No Setback from Santa Fe Property Line</i>	<i>208 Required 104 NRV 104 Employee</i>	<i>Compatible with Potential Integration with 6<sup>th</sup> Street Bridge Art Plaza Design</i>	<i>Satisfactory</i>	<i>No Conflict</i>	<i>City of LA Requires Driveway Outside of Metro Fenced Area</i>	<i>Meets Criteria; Access impeded by recent City of LA land acquisition</i>	<i>Meets Criteria</i>	<i>Building partially blocks view of New Bridge from Santa Fe Avenue</i>
<i><b>Alternative A1 w/o Setback from 6<sup>th</sup> Street Bridge</b></i>	<i>No Setback from Santa Fe Property Line</i>	<i>197 Provided 100 NRV 97 Employee 11 Vehicle Deficit (-5%)</i>	<i>Not compatible with Potential Integration with 6<sup>th</sup> Street Bridge Art Plaza Design</i>	<i>Satisfactory</i>	<i>Northeast Corner of Building and Service Tracks Structural Load Transfer</i>	<i>City of LA Requires Easement Within Metro Fenced Area</i>	<i>Over 90" diameter storm drain; increased track length</i>	<i>Insufficient parking; Additional real estate may be required</i>	<i>Improves view of New Bridge over Baseline Design</i>
<i><b>Alternative A1 w/ Setback from 6<sup>th</sup> Street Bridge</b></i>	<i>No Setback from Santa Fe Property Line</i>	<i>169 Provided 72 NRV 97 Employee 39 Vehicle Deficit (-19%)</i>	<i>Not compatible with Potential Integration with 6<sup>th</sup> Street Bridge Art Plaza Design</i>	<i>Satisfactory</i>	<i>Northeast Corner of Building and Service Tracks Structural Load Transfer</i>	<i>City of LA Requires Easement Within Metro Fenced Area</i>	<i>Over 90" diameter storm drain; increased track length</i>	<i>Insufficient parking; additional real estate is required</i>	<i>Improves view of New Bridge over Baseline Design</i>
<i><b>Alternative C1 w/o Setback from 6<sup>th</sup> Street Bridge</b></i>	<i>No Setback from Santa Fe Property Line</i>	<i>153 Provided 69 NRV 84 Employee 55 Vehicle Deficit (-26%)</i>	<i>Not compatible with Potential Integration with 6<sup>th</sup> Street Bridge Art Plaza Design</i>	<i>Not acceptable; unusable space and logistical management issues</i>	<i>No Conflict</i>	<i>City of LA Requires Easement Within Metro Fenced Area</i>	<i>Acceptable length; however, positioning creates circulation problems</i>	<i>Insufficient parking; additional real estate is required; rooms inefficient</i>	<i>Improves view of New Bridge over Baseline Design and Alternative A1</i>
<i><b>Alternative C1 w/Setback from 6<sup>th</sup> Street Bridge</b></i>	<i>No Setback from Santa Fe Property Line</i>	<i>123 Provided 39 NRV 84 Employee 85 Vehicle Deficit (- 41%)</i>	<i>Not compatible with Potential Integration with 6<sup>th</sup> Street Bridge Art Plaza Design</i>	<i>Not acceptable; unusable space and logistical management issues</i>	<i>No Conflict</i>	<i>City of LA Requires Easement Within Metro Fenced Area</i>	<i>Acceptable length; however positioning creates circulation problems</i>	<i>Insufficient parking; additional real estate is required; rooms inefficient</i>	<i>Improves view of New Bridge over Baseline Design and Alternative A1</i>

Notes: 1) Potential impacts to 90" City of LA Storm Drain requires design approval by City of LA.

2) Adoption of architectural design is dependent on building footprint location, integration with 6<sup>th</sup> Street Bridge Arts Plaza and funding.

## PROCUREMENT SUMMARY

**WESTSIDE SUBWAY EXTENSION SECTION 1 PROJECT  
MAINTENANCE OF WAY/NON-REVENUE MAINTENANCE BUILDING  
DESIGN/BUILD  
CONTRACT NO. C1078**

1.	<b>Contract Number:</b> C1078		
2.	<b>Contractor:</b> Clark Construction Group – California, LP by its general partner, Clark Construction Group – California, Inc.		
3.	<b>Mod. Work Description:</b> Revise baseline building floor and site plans.		
4.	<b>Contract Work Description:</b> Design and construct Maintenance of Way/Non-Revenue Maintenance Building		
5.	<b>The following data is current as of:</b> February 18, 2016		
6.	<b>Contract Completion Status:</b>		
	<b>Bids/Proposals Opened:</b>	2/6/15	<b>% Completion \$s:</b> 9.01%
	<b>Contract Awarded:</b>	8/3/15	<b>% Completion time:</b> 17%
	<b>NTP:</b>	9/30/15	<b>Original Contract Days:</b> 853
	<b>Original Complete Date:</b>	1/30/18	<b>Change Order Days:</b> 0
	<b>Current Est. Complete Date:</b>	1/30/18	<b>Suspended Days:</b> 0
	<b>Total Revised Days:</b>		853
7.	<b>Financial Status:</b>		
	<b>Contract Award:</b>	\$52,830,310	
	<b>Total Contract Modifications Approved:</b>	\$0	
	<b>Current Contract Value:</b>	\$52,830,310	
	<b>Total Contract Modification Authority</b>	\$5,283,031	
	<b>Contract Administrator:</b> Diana Sogomonyan	<b>Telephone Number:</b> (213) 922-7243	
8.	<b>Project Manager:</b> James Cohen	<b>Telephone Number:</b> (323) 900-2114	

**A. Contract Action Summary**

This Board Action is to approve the authorization of the CEO to negotiate and execute Modification No. 1, for revise baseline building floor and site plans, issued in support of design and construction work of a new Maintenance of Way/Non-Revenue Vehicle Maintenance Building 61S and a Parts Storage Expansion addition to the existing Division 20 Yard Rail Fleet Services Maintenance Facility.

Metro Staff is requesting approval of a not-to exceed value at this time to allow the necessary work to be initiated as soon as possible, so that any potential delays to the project schedule or project cost are minimized.

This contract modification will be processed in accordance with Metro's Acquisition Policy, and the contract type is a Firm Fixed Price.

On July 23, 2015, Metro Board authorized Chief Executive Officer (CEO) to award a 28 month Firm Fixed Price contract, under Invitation for Bid (IFB) No. C1078, to Clark Construction Group for final design and construction of the Metro Purple Line Extension, MOW/NRV Building, to be constructed as part of Division 20 yard and expansion of shops. The Board approval included Metro Board Motion 40.1, which directed Metro Chief Executive Officer (CEO) to instruct the staff to establish a Design Advisory Group to explore different options for site placement of the MOW facility. To explore the feasibility of this objective, the Contractor, Clark Construction Group, completed a Feasibility Study to report back to Metro on possible options.

Refer to Attachment B for modifications issued to date to add/delete work, and the proposed modification currently pending authorization.

**B. Cost/Price Analysis**

The final price for the contract change will be reviewed and analysis by Metro staff and determined to be fair and reasonable in accordance with Metro procurement Policies and Procedures. The negotiation process will include, but not be limited to, clarification, fact-finding, technical analysis, cost analysis and discussions. Metro staff will complete and Independent Cost Estimate (ICE) prior to initiating negotiations with Clark Construction. The recommended price will be audited by MASD and subject to removal of any unallowable or unallocable costs.

<b>Item No.</b>	<b>Changes</b>	<b>Proposal amount</b>	<b>Metro ICE</b>	<b>Negotiated or NTE amount</b>
1	Mod 1 Revise baseline building floor and site plans	TBD	TBD	\$4,500,000

**CONTRACT MODIFICATION/CHANGE LOG**

**WESTSIDE SUBWAY EXTENSION SECTION 1 PROJECT  
MAINTENANCE OF WAY/NON-REVENUE MAINTENANCE BUILDING  
DESIGN/BUILD  
CONTRACT NO. C1078**

<b>Mod/CO No.</b>	<b>Description</b>	<b>Status</b>	<b>Contract Value (A)</b>	<b>Mod/CO Value (B)</b>	<b>Board Approved CMA (C)</b>
N/A	Initial Award		\$52,830,310		\$5,283,031
<b>Subtotal – Approved Changes</b>				<b>\$0.00</b>	
Mod No. 1	Alternate A-1 revise Baseline design building floor plan and site plan	Pending		\$4,500,000	
TBD	CN. No. 1: Feasibility Study to Explore Options for Site Placement of the MOW Facility	Pending		\$70,000	
<b>Subtotal – Pending Changes</b>				<b>\$4,570,000</b>	
<b>Subtotal Approved and Pending Changes</b>				<b>\$4,570,000</b>	
TBD	CN No. 2: Reduction of Parts Storage Expansion	Pending		TBD	
<b>Subtotal Approved and Pending Changes Including Credits</b>				<b>\$4,570,000</b>	
<b>Total Contract Value(Including Approved and Pending Changes and Credits)</b>			<b>\$57,400,310</b>		
<b>Prior CMA Authorized by the Board</b>					<b>\$5,283,031</b>
<b>Approved Changes</b>					<b>\$0.00</b>
<b>Remaining CMA for Future Changes</b>					<b>\$5,283,031</b>
<b>Pending Changes</b>					<b>\$4,570,000</b>
<b>Increased CMA for this Recommended Action</b>					<b>\$0</b>



## WESTSIDE PURPLE LINE EXTENSION PROJECT SECTION 1

### Measure R Cost Management Process and Policy Analysis

#### Introduction

The Measure R Cost Management Process and Policy (the Policy) was adopted by the Metro Board of Directors in March 2011. The Policy caps Measure R project funding at the amounts in the Expenditure Plan approved by voters. The intent of the Policy is to inform the Metro Board of Directors regarding potential cost increases to Measure R-funded projects and the strategies available to close any funding gaps

The Westside Purple Line Extension Section 1 Project warrants such an analysis due to a \$5 million cost increase described in the report accompanying this analysis. The Measure R funds targeted to the first two Westside Purple Line Extension sections to date amount to \$2,330.6 million (out of a total Measure R commitment of \$4,074 million). The remaining \$1,743.4 million may be available to address cost increases, as described in the “Other Cost Reductions in the Same Subregion” section of this analysis.

#### Measure R Cost Management Policy Summary

The adopted Policy stipulates the following:

If a project increase occurs, the LACMTA 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 the 2009 Long Range Transportation Plan (LRTP) as adjusted by subsequent actions on cost estimates taken by the LACMTA Board of Directors. With certain exceptions, shortfalls will first be addressed at the project level prior to evaluation for any additional resources using these methods in this order:

- 1) Value engineering and/or scope reductions;
- 2) New local agency funding resources;
- 3) Shorter segmentation;
- 4) Other cost reductions within the same transit corridor or highway corridor;
- 5) Other cost reductions within the same sub-region; and finally,
- 6) Countywide transit and highway cost reductions and/or other funds will be sought using pre-established priorities.

The policy was amended in January 2015 to establish Regional Facility Areas at Ports, airports and Union Station; and states that any:

*“...capital project cost increases to Measure R funded projects within the boundaries of these facilities are exempt from the corridor and subregional cost*

*reductions. Cost increases regarding these projects will be addressed from the regional programs share.”*

The Westside Purple Line Extension Project, Section 1 does not fall within a Regional Facility Area.

### **Value Engineering and/or Scope Reductions**

During the development of the Preliminary Engineering for the Request for Proposal (RFP) documents, staff conducted Value Engineering (VE) Workshops utilizing a VE Panel of transit industry professionals with participation including the FTA’s Project Management Oversight Consultant (PMOC). The VE items believed to have the potential of yielding the largest cost savings were incorporated into the Advanced Preliminary Engineering (PE) designs in 2012. These items included the reduction of underground station footprint sizes and station depths. Station room layouts and other architectural elements were standardized to reduce design, construction, operations and maintenance costs. The cross-over ventilation extended plenum design which is not required as part of the normal ventilation design, was included as an option to supplement ventilation during periodic track maintenance work. The Project Team also analyzed constructability issues and various construction sequencing scenarios to reduce risks and the overall durations for tunneling and cut-and-cover underground construction.

Further reductions in scope would likely substantially delay the project or result in a project not consistent with the Locally Preferred Alternative. As a result, we recommend moving to the next step.

### **New Local Agency Funding Resources**

Per Note G in the Measure R Expenditure Plan, local agencies are expected to contribute an amount equal to three percent of total costs for transit projects. Metro and the City of Los Angeles agreed to a 3% contribution amount in April of 2014. That agreement states the following with respect to cost increases and betterments:

*“The parties understand the City’s Westside Subway Extension Section 1 Share will not increase even if the final LACMTA adopted life-of-project budget for the Westside Subway Extension Section 1 project exceeds \$2,509,100,000.”*

and

*“Any Project betterments for each Project shall be paid by the City separate and apart from this Agreement and shall be defined in and paid pursuant to the Master Cooperative Agreement, dated January 21, 2003 (“MCA”).”*

Pursuant to the agreement above, we are not assuming any additional commitment from the City of Los Angeles for the project as these are not betterments as defined in the MCA.

Similarly, the \$1.25 billion New Starts Full Funding Grant Agreement executed between the FTA and Metro on May 21, 2014 states that all cost increases are to be borne by the project sponsor, not the Federal Transit Administration. Pursuant to that agreement, we are assuming that no additional New Starts funds can be made available to cover the cost increase.

### **Shorter Segmentation**

While shorter segmentation is possible for the Westside Purple Line Extension, we recommend against this step for several reasons. Section 1 was extended to Wilshire/La Cienega due to engineering constraints at the initial Section 1 terminus at Wilshire/Fairfax. Shortening Section 1 would likely result in further cost increases to the project and require deferral of other projects. The only Section which could be shortened is Section 3. This would require eliminating the Veteran Affairs Station and moving the terminus to Westwood. In addition to higher real estate prices in Westwood, eliminating the Veteran Affairs station would require LACMTA to prepare a supplemental Environmental Impact Statement/Environmental Impact Report (EIS/EIR) due to significant project changes. As a result, there may be significant project delays and increased costs to the project. We do not recommend shorter segmentation.

### **Other Cost Reductions within the Same Transit Corridor**

The Westside Purple Line Extension corridor had included the Wilshire Bus Rapid Transit project. This project was bifurcated into two parts. One is a limited peak hour only version of BRT that is already funded with federal grants and the other was a more robust BRT with dedicated lanes and ride improvements. This second Wilshire BRT project was already eliminated from the LRTP to deal with prior cost increases.

To date, the Measure R funds targeted to the first two Westside Purple Line Extension sections amount to \$2,330.6 million (out of a total Measure R commitment of \$4,074 million). The entire remaining amount of \$1,743.4 million is scheduled for use on the Westside Purple Line Extension Section 3.

### **Other Cost Reductions within the Same Subregion**

Should the Board elect not to use Measure R 35%, there are several Call for Projects projects located within the subregion. The Board could opt to reallocate \Call for Projects funds awarded to projects within the Central Subregion. The potential funding source could come from either deobligated Metro Call for Projects or projects selected for funding in the 2015 Call for Projects. Should the Board chose this option, we can return to the Board identifying Call for Projects deobligations and/or project cancellation/deferral.

### **Countywide Transit Cost Reductions and/or Other Funds**

This cost increase does not require any countywide cost reductions or other funds.

**ATTACHMENT H**

**WESTSIDE SUBWAY EXTENSION PROJECT  
MAINTENANCE OF WAY/NON-REVENUE MAINTENANCE BUILDING  
DESIGN/BUILD  
CONTRACT NO. C1078**

**A. (1) Small Business Participation - Design**

Clark Construction Group made a 24.07% Disadvantaged Business Enterprise (DBE) commitment. Design is 50-60%% complete. Clark Construction is currently exceeding its commitment, DBE participation is 71.22%.

<b>SMALL BUSINESS COMMITMENT</b>	<b>DBE 24.07%</b>	<b>SMALL BUSINESS PARTICIPATION</b>	<b>DBE 71.22%</b>
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	<b>DBE Subcontractors</b>	<b>Ethnicity</b>	<b>% Committed</b>	<b>Current Participation<sup>1</sup></b>
1.	Bobby Knox	African American	0.72%	0.00%
2.	Innovative Engineering Group	Asian Pacific American	8.47%	0.00%
3.	JCE Structural Engineering Group	Hispanic American	2.41%	3.21%
4.	Sanchez/Kamps Associated Designs	Hispanic American	1.16%	0.00%
5.	V&A	Hispanic American	11.13%	3.13%
6.	AP Engineering & Testing, Inc.	Asian Pacific American	0.18%	0.00%
7.	BBC Electric	African American	Added	64.88%
<b>Total</b>			<b>24.07%</b>	<b>71.22%</b>

<sup>1</sup>Current Participation = Total Actual amount Paid-to-Date to DBE firms ÷ Total Actual Amount Paid-to-date to Prime.

**B. (2) Disadvantaged Business Participation - Construction**

Clark Construction Group made a 16% Disadvantaged Business Enterprise (DBE) commitment for Construction at the time of contract award. Clark Construction Group confirmed that they have yet to mobilize or receive access to the project site, and Construction is scheduled to begin in March 2016.

**C. Prevailing Wage Applicability**

Prevailing Wage requirements are applicable to this project. DEOD will continue to monitor contractors' compliance with the State of California Department of Industrial Relations (DIR), California Labor Code, and, if federally funded, the U S Department of Labor (DOL) Davis Bacon and Related Acts (DBRA). Trades that may be covered

include: surveying, potholing, field, soils and materials testing, building construction inspection and other support trades.

**D. Living Wage Service Contract Worker Retention Policy**

The Living Wage and Service Contract Worker Retention Policy is not applicable to this modification.

**E. Project Labor Agreement / Construction Careers Policy**

The Contractor has committed to complying with PLA/CCP requirements for this project.

Federally Funded Projects		
Extremely / Economically Disadvantaged Worker Goal	Apprentice Worker Goal	Disadvantaged Worker Goal
40%	20%	10%

Staff will monitor and report the contractor's progress toward meeting the goals of the PLA/CCP.