



Board Report

File #:2017-0344, File Type:Agreement

Agenda Number:22

PLANNING AND PROGRAMMING COMMITTEE JULY 19, 2017

**SUBJECT: TAYLOR YARD BRIDGE CONSTRUCTION
FUNDING AGREEMENT**

**ACTION: AUTHORIZE EXECUTION OF TAYLOR YARD BRIDGE CONSTRUCTION FUNDING
AGREEMENT WITH THE CITY OF LOS ANGELES**

RECOMMENDATION

AUTHORIZE the Chief Executive Officer (CEO) to negotiate and execute a Construction Funding Agreement with the City of Los Angeles for the Taylor Yard Bridge with a not-to-exceed amount of \$21,700,000.

ISSUE

In a 1992 settlement agreement pertaining to the development of the Taylor Yard Commuter Rail Facility (1992 Settlement), the former Los Angeles County Transportation Commission (LACTC), a predecessor agency to Metro, agreed to design, finance, and construct a pedestrian access system linking the communities to the east and west of Taylor Yard over the Los Angeles River.

In January 2012, the Metro Board approved the award of funds to the City of Los Angeles (City) for the design of the Taylor Yard Bicycle/Pedestrian Bridge over Los Angeles River (Bridge). The 2012 Board Report is included as Attachment A. Accordingly, Metro has provided the funds for the design of the Bridge, the City has completed 50% design, and the City will complete design from the remaining balance of the design grant and City funds by the end of this calendar year. A site plan and rendering are included in Attachment B.

Execution of the Construction Funding Agreement and completion of the Bridge by the City would fulfill Metro's commitment as part of the 1992 Settlement.

The Bridge will be funded by Metro, subject to terms in the Construction Funding Agreement, programmed over three years, starting Fiscal Year (FY) 2019. The City will construct, own, operate, and maintain the Bridge. The preliminary budget and schedule for the construction of the Bridge are included as Attachments C and D.

DISCUSSION

Background

Following the 1992 Settlement, the parties agreed that the City would design and construct the Bridge with funding from Metro via a grant mechanism. Metro granted the City various Call for Projects grants to build the Bridge and a related bike path, however all funds were subsequently deobligated due to delay in performance by the City.

At the January 2012 meeting of the Metro Board, Metro awarded \$1,073,000 to the City for the design of the Bridge, programmed for FY 2011-12 and FY 2012-13 through a Design Funding Agreement which included preliminary conceptual design, environmental documentation, right-of-way, environmental clearance permits, and final design and bid package preparation. The Design Funding Agreement was extended twice and now expires June 30, 2018.

The City has completed 50% drawings for the Bridge design and is responsible for all required permits and rights-of-way required for the construction of the Bridge as a part of the 2012 funding agreement.

Agreement Terms

- The Bridge will be funded by Metro, with funds advanced every six months based on expected expenditures, and recalculated every six months based on actual expenditures reflected in quarterly progress reports
 - Up to \$21,700,000 will be programmed over three fiscal years starting with FY 2019.
 - The City will provide supporting documentation in the form of Quarterly Progress/Expenditure Reports documenting expenditures from each advance.
- The City is responsible for the construction and completion of the Bridge as described in the Scope of Work of the Construction Funding Agreement.
- Metro will review the Bridge design before the City bids the construction, for purposes of ensuring the project is consistent with the limited scope of the Bridge.
- In the event the final budget (based upon approved bids) exceeds the current estimate of \$21,700,000, Staff will return to the Metro Board for its approval or disapproval.
- Metro shall be responsible for costs overruns due to unforeseen conditions associated with construction.
- The City shall be responsible for cost overruns due to avoidable delays in the project schedule or changes to the project scope initiated by the City.
- Metro will have the right to approve any change orders over \$100,000, following a procedure agreed to by Metro staff.
- The Bridge will be owned, operated, and maintained by the City at no cost to Metro.

DETERMINATION OF SAFETY IMPACT

Approval of this item will have no impact on safety.

FINANCIAL IMPACT

Adoption of the Construction Funding Agreement will require up to \$21,700,000 over three fiscal years. Because the Bridge will be owned and operated by the City, the project will not be considered as a Metro capital project.

Impact to Budget

There will be no impact to the FY 2018 budget. Since this is a multi-year agreement, the Chief Program Management Officer will ensure the project construction funding is included in future annual budget requests.

ALTERNATIVES CONSIDERED

The Board could choose not to authorize negotiation and execution of the Construction Funding Agreement. This is not recommended because it does not support Metro's legal commitment made in the 1992 Settlement.

NEXT STEPS

Upon Board approval, negotiations will be finalized and the Construction Funding Agreement executed.

ATTACHMENTS

Attachment A - Design Funding Board Report (January 18, 2012)

Attachment B - Site Plan and Rendering

Attachment C - Preliminary Project Design and Construction Schedule

Attachment D - Preliminary Project Budget

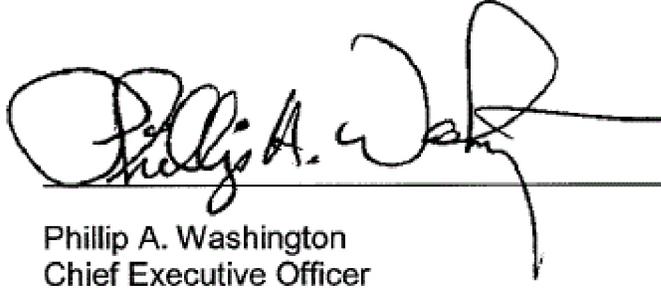
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