

California Department of Transportation

DISTRICT 7
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February 14, 2022

Mr. Abdollah Ansari
Senior Executive Officer
Highway Program
Los Angeles County Metropolitan Transportation Authority (LACMTA)
One Gateway Plaza
Los Angeles, CA 90012

Dear Mr. Ansari:

First, I would like to express the California Department of Transportation (Caltrans) appreciation for LACMTA's partnership in construction of the High Occupancy Vehicle (HOV) projects on Interstate (I) 5 North, I-5 South, and I-10 corridors to serve the people of the region. As you know, these mega projects that takes many years of collaboration and resources from both agencies to complete. The I-10 corridor consists of three segments, all of which are open to traffic. Two of the segments are completed having achieved Construction Contract Accepted (CCA). The last segment is targeted to achieved CCA in February 2023.

Caltrans closed out Segment 1 of the project with the Contractor in 2018, we are now in claim negotiation with both contractors on Segment 2 and Segment 3. With the contractor submitted claims, both segments will need additional funds from Caltrans and Metro to settle the claims and close the projects with each contractor. Caltrans has been discussing the claims with LACMTA team for many months. This letter is a formal request documenting the amounts and the reasons for the LACMTA share of the project cost increase for Segment 2 and Segment 3.

Project Segment 2 (EA 07-1170U) has a total project estimated cost increase of \$29,688,029 in construction capital, of which \$13,584,837 is LACMTA share. Segment 3 has a total estimated cost increase of \$12,841,343 in construction capital and support, of which \$8,165,026 is LACMTA share.

Cost increases for projects such as these with multiple fund sources, are based on the work items that each fund type was programmed for per the STIP and SHOPP guidelines and the CTC approved funds.

For Segment 2, before the Construction contract was advertised, we established the segregated Engineer's Estimate (EE), which identified the items of work that will be funded by SHOPP (Caltrans fund) and CMAQ (Metro fund) for the HOV lane project and a combined soundwall project. The funding proportions for the project was established based on this segregated scope. The project cost split was re-established based on the segregated EE percentages and Contractor's bid prices after award of the contract. After construction complete, the project cost split was re-calculated to include change orders and claims relating to the work for SHOPP, CMAQ, and the soundwall project. Based on these calculations, the LACMTA share was calculated for the CMAQ and RIP (from Soundwall) funds.

Segment 3 project is funded by SHOPP and CMAQ funds. We used the same approach as above to calculate the cost split for Caltrans and LACMTA share.

For the reasons given above, Caltrans is requesting for LACMTA fund their proportional share of the cost increase for these two projects. We request the LACMTA submit the request to add additional funds for these two projects to the LACMTA Board for approval at April 2022 Board meeting.

Please don't hesitate to contact me at (818)254-5439 if you require any additional information.

Sincerely,



Gregory Farr
District 7 Assistant Division Chief
Program & Project Management
California Department of Transportation

c: Mark Archuleta, Deputy District Director - Construction
Susan Chang, Deputy District Director - PPM