

Attachment G

C Line Extension to Torrance Project

Implementation, Potential Sequencing and Risk Reduction

Since the LPA selection, the Project Team has completed a real estate property boundary survey, conducted title report research for potentially affected sites, and continues to hold coordination meetings with property owners, utility owners, and other third parties, including BNSF. This effort has improved the information used to develop risk management strategies. In September 2025, the Project team met with the Metro Early Intervention Team to further discuss cost and schedule refinement, proposed delivery methods, and funding and financing strategies.

At this early stage in design, Metro is exploring a sequenced implementation approach, which would organize project delivery into two phases of work, similar to the approach Metro is conducting for the Southeast Gateway Line. The first phase would involve early earthwork including relocating utilities and freight tracks, which are high risk construction activities, followed by a separate contract for light rail construction.

As part of the first phase of work, Metro would explore the potential to deliver a set of community benefits in the near-term, including the quiet-zone-ready corridor freight improvements and the neighborhood paths, as feasible. This would provide safety and noise reduction improvements to the adjacent neighborhoods. By tackling these activities first, Metro can better control costs and minimize high-risk activities for future implementation of the light rail construction contract, while providing community benefits as soon as possible. A sequenced approach would also help manage escalation-related costs by advancing some elements of the Project while Metro identifies additional funds.

As part of the second contract, a light rail contractor would have a clear path to construct stations, tracks, and related infrastructure and equipment. Should the Board approve the Project as recommended, Metro staff would advance design to 30% preliminary engineering, at which point staff would provide updated cost estimates and recommend a construction delivery approach and schedule. This strategy mitigates contracting risk and acts as a cost management strategy by allowing the Project to remain on schedule. Metro's cost estimating team calculated that each month of delay increases the cost of the LPA by \$12.7 million (over \$150 million/year) due to projected escalation.