



Board Report

File #: 2022-0124, File Type: Program

Agenda Number: 10.

**REVISÉ**  
**PLANNING AND PROGRAMMING COMMITTEE**  
**APRIL 20, 2022**

**SUBJECT: INTERSTATE 10 HOV LANES PROJECT PROGRAMMING INCREASE**

**ACTION: APPROVE RECOMMENDATIONS**

**RECOMMENDATION**

CONSIDER:

- A. APPROVING \$21,749,863 of additional Congestion Mitigation and Air Quality (CMAQ) programming within the current FY22 budget allocation; and
- B. AUTHORIZING the Chief Executive Officer or their designee to negotiate and execute the necessary amendments to existing agreements for additional funding to the I-10 High Occupancy Vehicle Lanes Project from Puente Avenue to SR-57.

**DUPONT-WALKER AMENDMENT:** Return to the board with other capital-only funding sources for this project in place of CMAQ should there be additional need for operations funding.

Report back in August 2022 on the following:

- A. an operations funding outlook beyond fiscal year 23 and how cmaq can help forestall the expected operations deficit; and
- B. a policy to use CMAQ first for any eligible operations costs.

**ISSUE**

The I-10 High Occupancy Vehicle (HOV) Lanes Project from Puente Avenue to SR-57 (the Project) is led by Caltrans with partial funding from Los Angeles County Metropolitan Transportation Authority (Metro). Additional funds are required to close out the Project to cover several contractor claims. The anticipated costs to close out the Project are as follows: Segment 2 (PA.P000340A-3) in the amount of \$29,688,029 (State share is \$16,103,191 and Metro’s share is \$13,584,837) and Segment 3 (PA.P000399A-2) in the amount of \$12,841,343 (State share is \$4,676,317 and Metro’s share is \$8,165,026). Metro’s total share of the additional funds required to close out the project, using segregated Contractor’s bid established based on funding agreements, is: \$21,749,863. The Board’s

---

action to increase programming for the Project will enable Caltrans to close out the construction contract.

## **BACKGROUND**

The Project is being delivered by Caltrans in two segments and has added approximately ten miles of HOV lanes in each direction (now open to traffic), closing the gap to provide a continuous HOV/Express Lanes facility from east of Downtown Los Angeles to the San Bernardino County. Metro's current contribution to the Project is as follows: \$117,726,051 out of \$203,001,051 programmed for Segment 2 per Funding Agreement Number PA.P000340A-3, effective as of February 3, 2020, and \$157,450,000 out of \$267,116,000 programmed for Segment 3 per Funding Agreement Number PA.P000399A-2, effective as of September 30, 2020.

Segment 1, between I-605 and Puente Avenue, was completed in 2016 with a savings of \$10,910,051 in CMAQ funds. For Segment 2, between Puente Avenue and Citrus Avenue, construction was completed in January 2022. Segment 3, between Citrus Avenue and SR-57, is undergoing plant establishment (expected to be completed in February 2023) and was opened to traffic in April 2021.

## **DISCUSSION**

The construction contract for the I-10 improvements between Puente Ave and SR-57 has several claims. The Contractor Claims for Segment 2 totaling \$47,236,856 are for inefficiencies and escalation of material and labor cost due to project delays. The project delays were due to utility relocations, right-of-way possession, site condition that required redesign of retaining walls and roadways, and discovery of buried man-made objects that required removal. The Contractor Claims for Segment 3 total \$8,458,049 primarily due to unsuitable material caused by ground water, pavement grinding issues, and other minor claims. In addition, Segment 3 needs \$2,550,000 to replenish contingencies to complete the Project.

In a letter dated February 14, 2022 (Attachment A), the California Department of Transportation (Caltrans) requested that Metro contribute \$21,749,863 in supplemental funding for Segment 2 and Segment 3 to complete construction and close out these segments. Metro staff supports the programming of additional funds as the claims are being negotiated and the requested additional funds are required for the Project's closeout. Metro's contribution to cover these additional costs was calculated based on the established work items relating to the HOV lane as the original funding agreement scope.

## **DETERMINATION OF SAFETY IMPACT**

The proposed action has no known adverse impact to the safety of Metro patrons and employees or users of our facilities. The I-10 freeway is a state-owned facility and Caltrans standards will be adhered to in the construction of the proposed improvements.

## **FINANCIAL IMPACT**

Caltrans Life of Project (LOP) budget of I-10 Segments Improvement for Segment 2 is \$203,001,051 per Funding Agreement Number PA.P000340A-3 effective as of February 3, 2020 and Segment 3 is \$267,116,000 per Funding Agreement Number PA.P000399A-2 effective as of September 30, 2020.

The current project budget allocations and shortfalls are summarized in the funding tables below:

## Segment 2:

<b>Project Cost \$</b>	<b>\$147,564,080 (2022)</b>
<b>Cost Type</b>	Estimated Cost

### Revenue

Funding Source	Type	Amount	Status
State	IIP & RIP	\$6,838,000	Approved
	SHOPP	\$ 28,312,000	Approved
	IIP Shortfall	\$ 2,187,470	Pending CTC Approval
	SHOPP Shortfall	\$ 13,915,722	Pending CTC Approval
Local	CMAQ	\$ 81,776,051	Approved
	Net Toll Revenues	\$950,000	Approved
	CMAQ Shortfall	\$13,584,838	Pending Metro Board Approval
<b>Total Revenue</b>		<b>\$147,564,080</b>	

## Segment 3:

<b>Project Cost \$</b>	<b>\$210,100,343 (2022)</b> (\$209,000,343 in Capital & \$1,100,000 in Support)
<b>Cost Type</b>	Estimated Cost

### Revenue

Funding Source	Type	Amount	Status
State	SHOPP	\$41,750,000	Approved
	G-12 Award	\$4,375,000	Approved
	SHOPP Capital Shortfall	\$4,094,226	Pending CTC Approval
	SHOPP Support Shortfall	\$582,092	Pending CTC Approval
Local	CMAQ	\$148,634,000	Approved
	Net Toll Revenues	\$2,500,000	Approved

	CMAQ Capital Shortfall	\$7,647,118	Pending Metro Board Approval
	CMAQ Support Shortfall	\$517,908	Pending Metro Board Approval
<b>Total Revenue</b>		<b>\$210,100,343</b>	

**IMPACT TO BUDGET**

Adoption of the recommendation will not have an impact to the FY 2022 budget, as Metro staff has identified CMAQ funds to pay for the cost increase. The CMAQ funds were not included or identified for other uses in the Metro FY 2022 budget.

**EQUITY PLATFORM**

The Project is administrated by Caltrans. The environmental process for Segment 2 and Segment 3 were completed in December 2002 and included public participation. Throughout the construction phase, the outreach efforts consisted of sending press releases to the cities, communities, media outlets, and elected offices regarding construction work. Caltrans Public Affairs unit responded to constituent inquiries and scheduled as-needed community meetings. Progress reports and updated information have been posted on Caltrans website. Every effort has been made to avoid, minimize, and/or mitigate construction impacts on the corridor communities, such as building sound walls to mitigate noise at various locations throughout the project limits and help improve the quality of life for residents.

The Project transverses through an Equity Focus Community (EFC) within the City of West Covina. In 2019, 53% of the people in West Covina were Hispanic and 81.4% of workers in West Covina drove alone to work, followed by those who carpooled to work (9.32%). This action will complete a Caltrans project that promotes and encourages ridesharing; thereby alleviating congestion through the San Gabriel Valley. The Project was constructed within the existing Caltrans right-of-way and additional acquired right-of-way. It has DBE goal of 9.0 percent for Segment 2 and 10.0 percent for Segment 3. The contract was certified with 10 percent for Segment 2 and 10.4 percent for Segment 3 in DBE.

**IMPLEMENTATION OF STRATEGIC PLAN GOALS**

Approval of staff recommendation would allow for Caltrans and Metro to close out the Project. The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

Goal 1: Providing high-quality mobility options that enable people to spend less time traveling by providing improved mobility at this location through upgrading the Expressway to an access-controlled freeway and HOV lanes to encourage carpooling and improve transit efficiency.

---

Goals 4 and 5: Transforming LA County through regional collaboration with Caltrans and the corridor cities by contributing funds and providing resources to assist Caltrans in management and delivery of this project.

### **ALTERNATIVES CONSIDERED**

The Board may choose not to approve staff's recommendation. However, this would be inconsistent with our commitment to partnering with Caltrans on the delivery of High-Occupancy Vehicle network improvements.

### **NEXT STEPS**

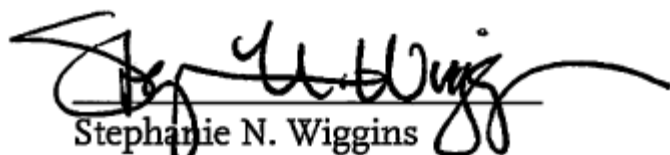
Upon Board's approval of the recommended action, Metro staff will complete the necessary funding agreements.

### **ATTACHMENT**

Attachment A - Caltrans letter 2-14-2022

Prepared by: Maher Subeh, Director of Engineering, Highway Program, (213) 418-3291  
Ernesto Chaves, DEO, Countywide Planning & Development, (213) 547-4362  
Michael Cano, Interim EO, Countywide Planning & Development, (213) 418-3010

Reviewed by: James de la Loza, Chief Planning Officer, (213) 922-2920



Stephanie N. Wiggins  
Chief Executive Officer