



Board Report

File #: 2024-0430, File Type: Budget

Agenda Number: 10.

CONSTRUCTION COMMITTEE JULY 17, 2024

SUBJECT: THIRD PARTY ADMINISTRATION - CITY OF LOS ANGELES

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to execute the FY25 Annual Work Plan Budget for the City of Los Angeles (Attachment A).

ISSUE

During the design, construction and maintenance phases of Metro projects, a significant amount of support is required from local jurisdictions via an annual work plan. The annual work plan serves as a commitment from the agency for the reimbursement of services by the City of Los Angeles reviewing departments for an estimated amount of services. Without an annual work plan, the City of Los Angeles departments have no funding sources to support the projects in a timely manner to meet Metro's schedules.

BACKGROUND

In December 2002, a Master Cooperative Agreement (MCA) was executed between Metro and the City of Los Angeles. The intent of the agreement was to establish a streamlined process among both entities to successfully construct Metro's ongoing projects. A function of the MCA was to clearly identify a yearly budget for each City department to provide those City services. This function was labeled as the Annual Work Plan.

Recently, a new MCA was negotiated, adopted, and attested to on April 25, 2024, in an effort to support the Metro construction program by capturing lessons learned, updating and enhancing processes, and enhancing overall relationships between the two agencies. Although new language was negotiated and adopted, the Annual Work Plan function remains as a best practice to manage expectations and improve coordination of a large program of projects. This work plan is consistent with the principles of the new MCA, which contains a streamlined escalation ladder, improved processes for design reviews and acceptance, early involvement and improved collaboration processes, and the inclusion of a Project Liaison to coordinate across City departments for future mega projects. The Project Liaison will be piloted for the East San Fernando Valley Transit Corridor

Project, and funds for the pilot are included within this Annual Work Plan.

DISCUSSION

The Annual Work Plan funds Metro's project plan reviews from various City of Los Angeles departments to support reviews of design and construction project plans on an annual basis. These services are essential for streamlining project delivery, which includes expediting plan reviews and approvals, ensuring quality and effective construction measures, timely inspections, and other functional efforts as described above. All services are centered to avoid delays and promote cost saving measures to effectively deliver the projects with minimal impacts on the community and provide benefits of enhanced mobility and regional access to underserved populations within the respective project areas.

The action contained herein provides funding for the City of Los Angeles participation in projects within the limit of the current approved FY25 budget for Third Party review and maintenance. (See Attachment A).

Metro's efforts to proactively manage these costs will include the following:

- A. Controlling the design review process through the early coordination of design efforts to define scope and establish/clarify standards and requirements.
- B. Reviewing submittals for completeness.
- C. Ensuring that third party requirements are identified and addressed prior to sending to the third party.
- D. Reviewing timesheets with each third-party organization on a monthly basis to ensure that hours charged are appropriate.
- E. Conducting executive and staff level partnering with third parties.

DETERMINATION OF SAFETY IMPACT

The recommended action has no impact on safety.

FINANCIAL IMPACT

The funding of \$33,236,102, which may be obligated and spent under this one-year work plan, is included in the FY25 adopted budget for the projects requiring the services to be performed by the City of Los Angeles as outlined in Attachment A. Since these are multi-year projects, the Project Managers and the Chief Program Management Officer will be responsible for budgeting for future year costs. These fund sources are not eligible for rail and bus operating expenses.

EQUITY PLATFORM

While considering the projects, Metro will provide an estimated 42 miles of new transportation projects (pedestrian, bicycle, rail and bus) and 11 potential passenger stations within the City of L.A limits and Equity Focus Communities (EFC). This Board item action will reduce the likelihood of transit and active transportation project delays, as well as provide other tangible benefits to the

EFCs. This includes expedited, streamlined projects that improve safety and access for multimodal users with minimal negative impacts to the communities, and establishing troubleshooting opportunities to support the EFCs. This will ultimately lead to our operating system providing a world class transit system with reduced air and noise pollution, more walkable neighborhoods, better transportation amenities for disabled individuals, less congestions and collisions, and connecting communities.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

By executing the Annual Work Plan for FY25 and allowing the City departments to continue reviewing plans, while also advancing a more streamlined approval process to successfully construct Metro's ongoing projects, it would positively support Metro's overall plan and goal of expanding the transportation network, increase mobility for all users and improve LA County's overall transit networks and assets.

ALTERNATIVES CONSIDERED

The Board may reject the recommendation and direct us to include this work under Construction Contracts. This is not recommended because it will delay each of the projects.

NEXT STEPS

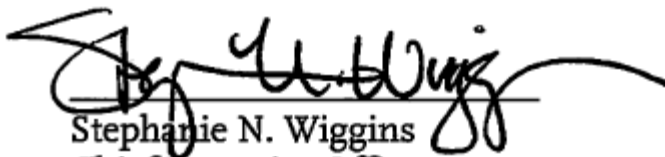
Upon Board approval of the annual work plan, the City of Los Angeles shall submit the annual work plan to the Los Angeles City Council and Mayor's Office for adoption.

ATTACHMENTS

Attachment A - FY25 Annual Work Plan Budget for the City of Los Angeles

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