Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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CONSTRUCTION COMMITTEE
OCTOBER 15, 2025

SUBJECT: I-105 EXPRESSLANES LIFE-OF-PROJECT BUDGET AND CONSTRUCTION MANAGER/GENERAL CONTRACTOR SEGMENT 2 AND 3 CONSTRUCTION CONTRACT (PHASE 2 SUPPLEMENT)

ACTION: APPROVE RECOMMENDATION

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

A. AMEND the I-105 ExpressLanes Project 475004 Life-of-Project (LOP) Budget by establishing funding for the Segment 2 and 3 (Phase 2 Supplement) construction, from Central Avenue to Studebaker Road on the I-105 Freeway. This action increases the existing Life-of-Project Budget of $757,540,216 by $707,926,765 for a total Life-of-Project Budget of $1,465,466,981 (Attachment A); and

B. NEGOTIATE AND EXECUTE project-related agreements, including contract and task order modifications, up to the authorized LOP.

ISSUE

The I-105 ExpressLanes Project (Project) is being delivered using the Construction Manager/General Contractor (CM/GC) method. This approach has allowed Metro staff to collaborate closely with the Contractor and Caltrans, incorporating contractor input during design to identify and implement several value engineering opportunities. The funding of the Identified Work Package 1 (IWP1) for Segment 1 construction was approved by the Board in October 2024, with construction commencing in February 2025.

As design progressed for the remainder of the project, the general contractor submitted a proposal for the construction of Segments 2 and 3, collectively referred to as the Phase 2 Supplement. Metro staff have successfully concluded negotiations with the Contractor for Segments 2 and 3. Staff are now seeking Board approval to amend the LOP budget to cover the additional funding for the Phase 2 Supplement, thus establishing an LOP for the entire I-105 ExpressLanes project.

Awarding the Phase 2 Supplement is critical to meeting the Project's state grant funding requirements, securing toll-backed financing, and avoiding construction delays. Timely approval will help ensure Segments 2 and 3 are completed and opened by Fall 2029.

BACKGROUND

In 2016, the I-105 ExpressLanes Project was allocated $175 million as part of the approved expenditure plan in the Measure M ordinance. Since 2017, Caltrans District 7 and Metro have collaborated on the Project Approval/Environmental Document (PA/ED) and Plans, Specifications, and Estimates (PS&E) phases of the Project, which will improve operations along the I-105 corridor, enhance trip reliability, and actively manage traffic flow from I-405 in Los Angeles to Studebaker Road in Norwalk. The Project is structured into three segments, each involving specific design review and permitting packages. Segment 1 is between I-405 and Central Avenue (seven miles), Segment 2 is between Central Avenue and I-710 (four miles), and Segment 3 is between I-710 and Studebaker Road (five miles).

The CM/GC method, authorized by the federal "Moving Ahead for Progress in the 21st Century" (MAP-21) Act, allows for phased construction through multiple work packages. As a result, Metro is advancing the project phasing following Federal Highway Administration (FHWA) CM/GC procedures.

Metro, FHWA, and Caltrans' collaboration ensures that all project phases meet federal standards, contributing to the project's overall success and compliance. The phased IWP approach is critical for the timely completion of the I-105 ExpressLanes project, addressing key activities early to mitigate risk and accelerate the timeline.

The Environmental Impact Report/Environmental Assessment (EIR/EA) was completed in May 2021, establishing the environmental framework for the Project. Subsequently, in March 2024, a NEPA/CEQA Revalidation was approved, incorporating additional measures related to biological resources, air quality, cultural resources, and hazardous waste. There are no right-of-way acquisitions in Segment 1 of the Project.

Final design efforts commenced in June 2021. In June 2022, the Board approved a $119,391,538 preconstruction budget for the Project. Several key contracts required to advance the project have been awarded, including a CM/GC contract with Flatiron Myers Joint Venture (FMJV), a Program Management Support Services (PMSS) contract with HNTB, and the Roadside Toll Collection System (RTCS) contract with Conduent State and Local Solutions, Inc. Following the plan discussed in the aforementioned Board action, Metro staff completed the work to finalize the design for Segment 1 and negotiated the construction cost to advance IWP 1 for construction.

An equity assessment for Segment 1 was initiated in September 2023 and completed in September 2024 to identify and prioritize potential projects that enhance mobility and equity in the corridor and could be funded with future net toll revenue.

In October 2024, the board approved establishing funding for the Segment 1 construction (IWP1) and I-105 ExpressLanes project 475004 by increasing the existing Preconstruction Budget of

$119,391,538 by $638,148,678 to a Life-of-Project budget of $757,540,216 for IWP1, allowing construction of Segment 1 to commence.

DISCUSSION

The Project is a collaborative effort between Metro and Caltrans, governed by cooperative agreements for design and construction phases. Metro is tasked with awarding and administering all contracts related to the Project, while Caltrans provides design approval and construction permits. Funding sources include Metro Local Measure M funding, State Solutions for Congested Corridors (SCCP) grant funding, and Toll Revenue Backed Loans, including TIFIA financing. The CM/GC process was selected to enable early contractor involvement, providing critical construction expertise that informs design decisions.

On October 31, 2024, the Life-of-Project (LOP) budget for Segment 1 (Identified Works Package 1) was approved by the Board. This approved budget allowed the start of construction for Segment 1 from Sepulveda Blvd. to Central Avenue on the I-105 Freeway. As of August 2025, the design of Segments 2 and 3 had progressed to 95% completion. Metro staff and the CM/GC Contractor utilized these plans to estimate the cost of the construction. The final negotiated price is $635,000,000.

The current request seeks approval to amend the LOP Budget for the entire Project, including Segment 1, 2 and 3, which covers construction costs, contingencies, and necessary support. The amended LOP budget is within the range of the previously estimated value as reported to the Board in the FY26 Annual Program Evaluation. The Procurement Summary is included as Attachment B, and the contract modification log is included as Attachment C.

Segment 2 requires a partial right-of-way acquisition of a permitted but currently undeveloped commercial parcel in the City of Lynwood. Metro is negotiating with the property owner on this acquisition.

Concurrently with the Project, an equity assessment was conducted that resulted in a prioritized list of potential projects that could enhance mobility and equity within the corridor utilizing potential future net toll revenue grant funding.

Potential projects were identified through a comprehensive analysis of corridor conditions, existing studies and plans, field visits, and input from Metro departments, local jurisdictions, and Community Based Organizations (CBOs). These projects must be within a three-mile radius of Segment 2/3 of the I-105 ExpressLanes, in alignment with the I-10/I-110 ExpressLanes' Net Toll Revenue Grant guidelines. The assessment also included data collection on socioeconomic and environmental conditions.

The projects were categorized into three main areas: active transportation, transit/system improvements, and roadway improvements. Based on a methodology developed for this project, projects were prioritized as high, medium, or low. This methodology evaluated projects across four categories: connecting people and places, creating community value, conserving resources, and prioritizing Metro’s Equity Focus Communities (EFCs).

The equity assessment, project list, and prioritization methodology were developed with extensive input and participation from community members and twenty-one CBOs. CBO participation included ten monthly roundtable meetings, mobility audit, and a field visit to the Norwalk C Line station. Broader community input was gathered through four pop-up events and four public meetings held in September 2025. The pop-up events were held at Bellflower Streetfest, Holifield Park in Norwalk, and CicLAvia at the Florence-Firestone and Watts hubs. Four public meetings presented the equity assessment and solicited feedback on the project list and were held at Verbum Dei High School, Bateman Hall in Lynwood, Rich Rehearsal Hall in Norwalk, and a virtual meeting. Additionally, a survey was conducted to understand travel behavior in the corridor which received 975 responses. The public meetings and surveys were conducted in English and Spanish.

There were 51 projects identified in total. Of these, 27 were prioritized as high, 21 as medium, and three as low, as shown in the table below. High-priority projects were characterized by area-wide or corridor-level impact, proximity to Metro rail stations, location within EFC populations, and a focus on sustainable mobility options. Many of the projects listed are plans/programs, which include many projects that are not listed individually. The complete list of projects is included in Attachment D, and the Executive Summary is included in Attachment E.

Priority	Active Transportation	Roadway	Transit	Total
High	12	6	9	27
Medium	8	5	8	21
Low	0	1	2	3
Total	20	12	19	51

As part of construction of the ExpressLanes project, lighting enhancements are being explored at freeway under-crossings that are being widened for the Project and in areas adjacent to the Norwalk C Line station. These enhancements will improve safety and connectivity, particularly for active transportation.

Public Outreach

Metro Construction Relations implemented a comprehensive outreach program to notify the public in advance of construction starting on Segment 1. The program will continue and will be implemented during the construction period of Segment 2 and Segment 3. The multi-channel outreach program will utilize, among other tools, social media, earned and paid media, electronic newsletters, briefings, and community meetings. Metro will work closely with partner agencies, including local cities, to notify the public. The outreach program will continue through all phases of the project. Project contact tools, information line, and e-mail are available to address inquiries about the outreach program. Metro's dedicated Construction Relations team will monitor these tools and coordinate accordingly.

Furthermore, the project's website, https://www.metro.net/projects/i105-expresslanes/, will contain information on the status of the project, closure information, including relevant fact sheets, detour maps, presentations and additional resources. Information regarding project related closures will be

made available through social media outlets, including WAZE and Google maps. The information will be updated with detour information when closures begin.

DETERMINATION OF SAFETY IMPACT

The Project is being planned and designed according to Caltrans Standard Specifications and Caltrans Standard Plans. Approval of the Phase 2 Supplement for Segment 2 and 3 will not have an adverse impact on safety.

FINANCIAL IMPACT

The project has secured $325 million in funding, with $175 million from Measure M and a $150 million grant from the State's Solutions for Congested Corridors Program. As noted earlier, the previously approved Segment 1 LOP budget is $757,540,213. The requested LOP budget including Segments 2 and 3 is proposed to be $1,465,466,981, using primarily toll-backed financing. The project's toll revenue is projected to exceed $6.6 billion over the 40-year debt repayment period

Impact to Budget

The source of funds for the recommendation is a TIFIA and capital markets loan secured by future net toll revenues, which are not eligible for bus and rail operations.

The sources of funds for the construction budget are as listed in Attachment A.

EQUITY PLATFORM

Along the I-105 corridor, 92% of census tracts within a three-mile radius are EFCs. That includes 75% of census tracts within Segment 1 and 65% of census tracts within Segment 2 and 3.

Staff completed equity assessments for Segment 1, 2 and 3 that identified potential projects that could be funded with future net toll revenue to benefit communities within a three-mile radius of the corridor. When completed, the project will provide significant mobility improvements particularly I the ExpressLanes, safety enhancements, and noise mitigation through new/taller soundwalls.

While FMJV made a 12.40% Disadvantaged Business Enterprise (DBE) commitment on Phase 1 - Pre-Construction and a 19% DBE commitment on the Phase 2- Construction, the U.S. Department of Transportation has issued an Interim Final Rule (IFR) that makes changes, including suspension of goals and enforcement, to the DBE Program effective October 3, 2025. Metro is currently reviewing the IFR to identify necessary program and procedural changes to ensure full compliance. As such, while the DBE commitment is not a factor in the staff recommendation, there are 27 Metro certified small businesses participating in this contract. This is noteworthy since small businesses are vital for the economy as they drive job creation, foster innovation, and strengthen local communities.

The Project Labor Agreement/Construction Careers Policy (PLA/CCP) is also applicable on the Phase 2-Construction portion of this contract.

VEHICLE MILES TRAVELED OUTCOME

VMT and VMT per capita in Los Angeles County are lower than national averages, the lowest in the SCAG region, and on the lower end of VMT per capita statewide, with these declining VMT trends due in part to Metro's significant investment in rail and bus transit.* Metro's Board-adopted VMT reduction targets align with California's statewide climate goals, including achieving carbon neutrality by 2045. To ensure continued progress, all Board items are assessed for their potential impact on VMT.

While the agency remains committed to reducing VMT through transit and multimodal investments, some projects may induce or increase personal vehicle travel. However, these individual projects aim to ensure the efficient and safe movement of people and goods.

This Board item is expected to increase VMT in LA County, as it includes an investment that may produce additional vehicle trips as a result of increasing the roadway capacity on currently congested portions of I-105. Although this item may not directly contribute to the achievement of the Board-adopted VMT Reduction Targets, the VMT Targets were developed to account for the cumulative effect of a suite of programs and projects within the Metro region, which individually may induce or increase VMT. Additionally, Metro has a voter-approved mandate to deliver multimodal projects that enhance mobility while ensuring the efficient and safe movement of people and goods.

This project is exempt from CEQA VMT mitigation requirements.

*Based on population estimates from the United States Census and VMT estimates from Caltrans' Highway Performance Monitoring System (HPMS) data between 2001-2019.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Project is consistent with the following Metro Vision 2028 Goals and Objectives:

- Goal 1: Provide high-quality mobility options that enable people to travel less by increasing regional highway capacity and offering travelers on the corridor a new, faster, more reliable, and more convenient travel mode alternative.
- Goal 2: Deliver outstanding trip experiences for all transportation system users by improving trip times and travel speeds for ExpressLanes and general-purpose lanes.
- Goal 4: Transforming LA County through regional collaboration and national leadership by strengthening Metro's relationships with Caltrans, the Federal Highway Administration, Los Angeles County, local cities/jurisdictions, and other agencies.

ALTERNATIVES CONSIDERED

One alternative is for the Board not to approve the recommended actions for the I-105 ExpressLanes CM/GC Project. However, staff does not recommend this alternative for several critical reasons.

First, failing to establish the LOP and Phase 2 Supplement for Segments 2 and 3 would significantly delay the Project's timeline. Such delays would jeopardize the $150,000,000 in funding awarded under the SCCP, which is crucial for the Project's financial viability.

Second, choosing not to proceed with the CM/GC contract would forfeit the key benefits of early contractor involvement. This involvement is essential for managing costs and ensuring the timely implementation of toll collection infrastructure. Without it, the Project may experience delays in generating anticipated toll revenue and achieving the expected operational improvements.

NEXT STEPS

Upon approval by the Board, staff will complete executing the Phase 2 Supplement of the contract modification and proceed with CM/GC construction for Segment 2 and 3 upon the approval of the design and certification of the Right-of-Way which is anticipated to be in Summer of 2026.

ATTACHMENTS

Attachment A - Funding and Expenditure Plan
Attachment B - Procurement Summary
Attachment C - Contract Modification/Change Order Log
Attachment D - I-105 ExpressLanes Segments 2 and 3 Equity Assessment Prioritized List of Projects
Attachment E - I-105 ExpressLanes Segments 2 and 3 Equity Assessment Executive Summary
Attachment F - DEOD Summary

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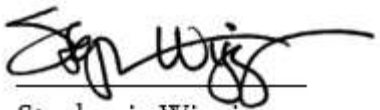

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