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

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**CONSTRUCTION COMMITTEE**
**SEPTEMBER 16, 2026**

**SUBJECT: A & E LINE INTERLOCK PROJECT - CONSTRUCTION MANAGER / GENERAL CONTRACTOR**

**ACTION: APPROVE RECOMMENDATION**

## RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

A. AWARD a firm fixed price Contract No. PS140835000 to RailWorks Track Services, LLC**,** for Phase 1 Preconstruction Services of the Construction Manager/General Contractor contract for the A&E Line Interlock Project (Project) in the amount of $1,000,000, subject to the resolution of any properly submitted protest(s), if any;

B. ESTABLISH a Preconstruction Budget for the Project in an amount of $27,290,000; and

C. NEGOTIATE and EXECUTE all project-related agreements and modifications within the authorized Preconstruction Budget.

## ISSUE

Staff is seeking the Board's approval for two items in support of the A&E Line Interlock Project (Project): (1) to award a Construction Manager/General Contractor (CM/GC) contract; and (2) to establish a Preconstruction Budget. The Preconstruction Budget is inclusive of this and all previously awarded contracts, expenses incurred to date, and anticipated additional preconstruction activities performed by the CM/GC and existing design and professional services contracts for the Project, all as summarized in the expenditure and funding plan for the Preconstruction Budget as shown in Attachment A.

## BACKGROUND

The 2028 Olympic and Paralympic Games will require a coordinated regional mobility program capable of moving spectators, athletes, workforce, volunteers, media, and everyday riders safely and efficiently across Los Angeles County. Metro, in coordination with LA28, Caltrans, Metrolink, the Los Angeles Department of Transportation, the City of Los Angeles Mayor's Office, the Southern California Association of Governments, venue cities, Councils of Governments, and other regional

partners, has been advancing the 2028 Games Mobility Concept Plan (MCP) to support a transit-first Games and deliver permanent mobility improvements that remain as a regional legacy after 2028. In December 2022, the Board approved the Prioritized MCP Project List. In October 2024, the Board authorized advancement of Metro-led Games Mobility Executives (GME) Surface Transportation Priority (STP) projects, including the environmental phase of light rail transit operational improvements.

As part of MCP, the A&E Line Interlock Project (Project) will improve rail operational flexibility, enhance system reliability, support shorter single-tracking headways during maintenance activities, strengthen incident recovery and turnback operations, accommodate additional train staging during demand surges, and support safe and efficient Games-time mobility operations. The Project scope includes construction of the Anaheim Street Interlock and Avenue 34 Interlock on the A Line and the Expo Bundy Interlock and Degnan Siding and Interlock on the E Line. These improvements will add new interlock, crossover, and siding infrastructure at strategic locations throughout the Metro rail network to support operational needs during routine service, maintenance activities, special events, and the 2028 Olympic and Paralympic Games. During the planning stage, the total Project cost was estimated at approximately $147.2 million and was included in the January 2026 MCP Prioritization and Funding Strategy.

## DISCUSSION

The Project is currently advancing through final design, during which contractor input is critical in terms of constructability, construction phasing, schedule, and cost estimates. Early engagement of the contractor will support procurement of long-lead materials and advancement of early work, helping maintain the Project schedule and readiness for construction, considering the fixed delivery window associated with the 2028 Games.

The proposed Preconstruction Budget is an interim budget to advance the Project through Phase 1 and does not represent the future Life of Project (LOP) budget. The total Project cost estimate will be refined as final design and Phase 1 preconstruction progress.

In order to move into this phase of preconstruction services, the Project will utilize the CM/GC contract that is the subject of this action and will continue to utilize support from Metro labor and previously awarded and existing contracts and agreements, as listed below and further explained in Attachment A.

- Construction Management Support Services (CMSS) provided by Zephyr-UAS, Inc (Contract No. AE128436MC085)
- Final design services provided by HNTB Corporation (Contract No. AE128314E0132)
- Systems engineering and support services provided by SECOTrans (Contract No. AE47810E0128)
- Program Controls Support Services (PCSS) from KKCS/Triunity Joint Venture (Contract No. PS89856000)

Considerations

Staff selected the CM/GC delivery method for A&E Line Interlock Project because the Project includes multiple scopes, multiple jurisdictions, active station and public right-of-way environments, utility and third-party interfaces, grant requirements, long-lead materials, and a fixed delivery window associated with the 2028 Games. Early contractor involvement will allow Metro to make informed decisions during final design, improve construction quality, encourage value engineering, provide greater certainty on final construction costs and delivery schedule, and reduce risks associated with change orders, disputes, third-party delays, and constructability issues during construction.

The CM/GC will deliver the Project in two distinct contract phases. The Preconstruction Budget establishes Phase 1, which allows the contractor to work with the design consultant and Metro to identify risks, provide cost estimates, and refine the project schedule. During Phase 1, Metro will work with the contractor to explore opportunities to accelerate the delivery schedule, execute Early Works Packages (EWPs) to advance eligible field work and early procurement, as well as leverage their expertise to drive the completed design in a direction that remains within approved project budgets. As the design approaches completion, the CM/GC contractor and Metro will negotiate the contract price for Phase 2, the Construction Phase.

If both the CM/GC and Metro reach an agreement on the Construction Phase costs and additional funding for construction of the improvements is secured, staff will return to the Board with a recommendation to approve the LOP budget and authorize the Phase 2 Contract Supplement. With Board approval, Metro will execute a Contract Supplement and issue a Notice to Proceed (NTP) for Phase 2 and then the second contract phase (Construction Phase) will begin.

At any stage during the Preconstruction design period, Metro can exercise an “off-ramp” and seek another contractor by competitively bidding on the Project’s final design, while still benefitting from the previous work performed by the contractor. The CM/GC Phases are described in more detail below:

- The CM/GC contract expressly sets out the work that the contractor will perform, such as design review, cost estimating, schedule, maintenance of traffic plans and execution of EWPs.
- Upon issuance of NTP for Phase 1, the contractor, design consultant, CMSS, and Metro will work side by side to review constructability, undertake value engineering, conduct site investigations, assess market conditions, and provide current contractor price estimates, risk assessments, and construction schedules at each successive prescribed design interval to finalize the design.
- Throughout Phase 1, the contractor will provide Metro with Opinion of Probable Costs (OPCs), which are detailed cost estimates that will enable staff to evaluate the projected Project costs against the Project budget and make necessary adjustments to the scope or schedule.
- If both parties agree to a final OPC, staff will seek Board approval to award Phase 2 construction to the contractor. If not, Metro will have the option to terminate the contract with the contractor and package the design documents into a separate bid package. This off-ramp will be available for Metro throughout Phase 1 as staff evaluates each OPC.
- Throughout Phase 2 negotiations, Metro will maintain the following parameters to mitigate

discrepancies and to increase the likelihood of project success:

- The contractor's fee and margin initially proposed will be retained in all OPCs.
- The Phase 1 specification sets out the form and frequency of OPCs to provide for multiple checkpoints for Metro.
- The CM/GC contract sets out the conditions of the price proposal for Phase 2 and the information that the contractor is required to submit.
- The CM/GC contract sets out a clear governance structure for managing Phase 1, including the establishment of working groups that include members from Metro, the contractor team, and any relevant third parties.
- The process for establishing all OPCs will employ transparent open-book methods and the use of independent cost estimates to validate pricing.

By utilizing the CM/GC approach to deliver and construct the Project, the contractor will provide feedback during the design development phase before the start of construction. The design team will work collaboratively with the CM/GC staff and incorporate input on constructability, Project phasing, and value engineering ideas as the design progresses. As the Project consists of multiple interlocks, crossover, and siding improvements located along the Metro A and E Lines within existing Metro right-of-way, the Project will be implemented through multiple design and construction packages. Metro anticipates issuing EWPs from the established Phase 1 Preconstruction Budget to procure long-lead materials and equipment, including special trackwork, switches, signal systems, and related rail infrastructure components, in advance of final design completion to reduce schedule risk and support timely project delivery.

As detailed in Attachment A, the proposed Preconstruction Budget of $27,290,000 is inclusive of the following:

- All expenses incurred to date during the planning, preliminary engineering, and contract development stages.
- Phase 1 preconstruction contractor expenses (constructability reviews, cost estimating, etc.).
- Final design services and design support services during construction of Early Works Packages.
- Construction management support, program management, project controls, agency labor, and other professional services to support work through Phase 1.
- Third party expenses to support final design and Early Works Packages.
- Long-lead procurement required to meet the project schedule.

## DETERMINATION OF SAFETY IMPACT

The recommended Board action will have no detrimental impact on safety.

## FINANCIAL IMPACT

Adoption of this action would authorize award of Contract No. PS140835000 to RailWorks Track Services, LLC for Phase 1 Preconstruction Services in the amount of $1,000,000 and establish a Preconstruction Budget in the amount of $27,290,000.

The funds in the amount of $3.96 million reside under Cost Center 8510 Project number 222028, under various accounts, including professional and technical services. Annual budgeting within the approved budget for the future fiscal years will be the responsibility of the Project Manager, Cost Center Manager, and the Chief Program Management Officer.

Impact to Budget

The Preconstruction Budget is anticipated to be funded through a combination of federal, state, and local funds, including $19.6 million in Surface Transportation Block Grant (STBG) funds, $4.7 million in Fiscal Year (FY) Congressional appropriations, and 3.0 million in Proposition A 35%.

## EQUITY PLATFORM

The Project advances Metro's equity goals by improving the reliability, resiliency, and operational flexibility of the A and E Lines, which serve diverse communities throughout Los Angeles County, including many transit-dependent riders. Through the construction of new interlocks, crossovers, and siding infrastructure, the Project will support more efficient maintenance activities, reduce the impacts of service disruptions, enhance incident recovery, and improve overall rail system performance. These improvements will help provide more reliable access to jobs, education, healthcare, and other essential destinations while delivering long-term benefits to riders during and beyond the 2028 Olympic and Paralympic Games.

No Disadvantaged Business Enterprise (DBE) goal is provided for Phase 1 of the contract. The U.S. Department of Transportation issued an Interim Final Rule that makes changes to the DBE Program, including suspension of DBE goals, counting of DBE participation, and enforcement, effective October 3, 2025. While the DBE commitment is not a factor in the staff's recommendation, RailWorks Track Services, LLC listed three certified small businesses to participate in Phase 1 of this contract.

The CM/GC RFP evaluation criteria included consideration of the proposed firm's approach to supporting Metro's community benefits and workforce development goals across all phases of the Project. During performance of the work, the CM/GC contractor will be required to collaborate with Metro and other Metro contractors to support community meetings, public notification, outreach materials, construction notices, and coordination with affected riders, businesses, stakeholders, and jurisdictions.

## 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.

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

As part of these ongoing efforts, the A&E Line Interlock Project is expected to contribute to further reductions in VMT through planning, operational, customer experience activities that will improve and further encourage transit ridership, ridesharing, bicycling, and active transportation. Metro's Board-adopted VMT reduction targets were designed to build on the success of existing investments, and this item aligns with those objectives.

## IMPLEMENTATION OF STRATEGIC PLAN GOALS

Recommendation supports:

- **Strategic Plan Goal 1:** Provide high-quality mobility options that enable people to spend less time traveling. The Project will improve rail service reliability, operational flexibility, incident recovery, maintenance efficiency, and train headways on the A and E Lines, enabling customers to spend less time traveling.
- **Strategic Plan Goal 2:** Deliver outstanding trip experiences for all users of the transportation system. The Project includes new interlocks, crossovers, and siding improvements that will enhance service reliability, reduce the duration and impacts of service disruptions, support maintenance activities, and improve the overall customer experience on the A and E Lines.
- **Strategic Plan Goal 3:** Enhance communities and lives through mobility and access to opportunity. The Project will improve the reliability and performance of rail service connecting riders to jobs, education, services, and regional destinations throughout Los Angeles County, providing long-term benefits beyond the 2028 Games.
- **Strategic Plan Goal 4:** Transform LA County through regional collaboration and national leadership. The Project advances regional coordination for the 2028 Games while delivering permanent rail infrastructure improvements across multiple jurisdictions.

## ALTERNATIVES CONSIDERED

The Board may choose not to move forward with awarding the contract and establishing the Preconstruction Budget. This is not recommended because it would delay preconstruction services, final design coordination, constructability reviews, cost estimating, phasing, risk management, and early work package planning, increasing the risk that key elements cannot be delivered before the 2028 Games.

The Board may direct staff to deliver the Project using a traditional design-bid-build approach. This is not recommended because the A&E Line Interlock Project includes multiple project types, jurisdictions, third-party interfaces, active transit environments, funding constraints, grant requirements, and an accelerated delivery schedule. A traditional delivery approach would limit early contractor input and reduce Metro's ability to manage constructability, cost, schedule, and phasing risks before construction.


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## NEXT STEPS

Upon Board approval, staff will execute CM/GC Contract No. PS140835000 with RailWorks Track Services, LLC and issue a Notice to Proceed for Phase 1 Preconstruction Services. Metro staff will engage the CM/GC contractor to initiate Phase 1 Preconstruction Services in coordination with the design consultant and CMSS consultant to advance completion of the final design. Staff will continue to pursue and secure the gap funding necessary to support Phase 2 construction and will return to the Board in FY27 to seek approval of the LOP budget and authorization to advance the corresponding Phase 2 Contract Supplement.

## ATTACHMENTS

Attachment A - Expenditure and Funding Plan
Attachment B - Procurement Summary
Attachment C - DEOD Summary

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