

**Board Report**

File #: 2016-0649, **File Type:** Contract**Agenda Number:** 11.

**PLANNING AND PROGRAMMING COMMITTEE
OCTOBER 19, 2016****SUBJECT: RESTORATION OF HISTORIC STREETCAR SERVICE IN DOWNTOWN LOS ANGELES****ACTION: EXECUTE CONTRACT MODIFICATION****RECOMMENDATION**

AUTHORIZE the Chief Executive Officer (CEO) to:

- A. EXECUTE Modification No. 13 to Contract No. PS10-4320-2618 with HDR Engineering, Inc. to prepare the Draft and Final Environmental Assessment (EA) for the **Restoration of Historic Streetcar Service in Downtown Los Angeles**, in the firm fixed amount of \$361,149, increasing the total contract value from \$3,075,793 to \$3,436,942; and
- B. INCREASE Contract Modification Authority (CMA) specific to Contract No. PS10-4320-2618 in the amount of \$200,000, increasing the total authorized CMA amount from \$476,000 to \$676,000 to support potential additional environmental assessment work.

ISSUE

As directed by the Board in February 2010, Metro has been serving as a technical consultant and project manager under contract to the City of Los Angeles for purposes of completing an Alternatives Analysis, environmental review, and Small Starts application for the Downtown Los Angeles Streetcar Project (Project). The next step in the environmental process is compliance with the National Environmental Policy Act (NEPA).

As the Project Sponsor, federal co-lead agency and local lead agency, the City of Los Angeles (City) has requested that Metro proceed with NEPA clearance, including the preparation of the Draft and Final EA. This requires a modification to the scope of work in the existing consultant contract and extension of the performance period from December 31, 2016 to June 30, 2017. An increase in CMA is requested to support unforeseen additional environmental assessment work. Los Angeles Streetcar, Inc. (LASI) has provided sufficient funds necessary for Metro staff and third party consultant services for this work. Board approval of the contract modification and CMA increase is being requested so that work may proceed.

DISCUSSION

Background

At the February 25, 2010 meeting, the Metro Board authorized Metro staff assistance to the City for the Downtown Streetcar Project, predicated on the receipt of funds from the Community Redevelopment Agency of the City of Los Angeles (CRA/LA) and execution of reimbursement agreements with Metro. On May 5, 2010, Metro entered into a funding commitment and repayment agreement with CRA/LA for this effort. This agreement states that Metro agrees to dedicate the staffing resources necessary to support the Project and that the City agrees to reimburse Metro for one hundred percent (100%) of the staff and consultant costs incurred by Metro.

At the March 24, 2011 meeting, the Metro Board awarded the firm fixed price Contract No. PS10-4320-2618 to HDR Engineering, Inc. to provide professional services for the Restoration of Historic Streetcar Service in Downtown Los Angeles for the preparation of the Alternatives Analysis (AA), Advanced Conceptual Engineering (ACE), environmental documentation, and Small Starts application. Metro, on behalf of the City and in cooperation with Federal Transit Administration (FTA), completed the AA which resulted in the selection by the City and CRA/LA of the Locally Preferred Alternative (LPA). The LPA was adopted by the Los Angeles City Council in January 2012.

Prior to the dissolution of CRA/LA in 2012, Project funds dedicated for completing the environmental document, ACE, and Small Starts application were transferred from CRA/LA to the City and LASI. A portion of these funds were advanced to Metro for related Project costs.

The environmental document was initially prepared as an Environmental Impact Report (EIR)/ EA. In March 2014, after completing an Administrative Draft EIR/EA, FTA requested that additional ridership analysis be conducted.

After discussion with FTA in 2015, the CEQA EIR and the NEPA EA were separated and are to be completed sequentially. Work on the Draft EIR began in July 2015. It was released for public comment on June 24, 2016. The Final EIR is being prepared.

The next step in the environmental process is compliance with NEPA. Metro and LASI completed an amendment to the funding agreement to fund this work effort. LASI has advanced funds to Metro to cover anticipated project costs for Metro staff and consultants.

DETERMINATION OF SAFETY IMPACT

There is no impact to the safety of our customers and/or employees.

FINANCIAL IMPACT

The additional cost to complete the environmental process for compliance with NEPA is \$674,754

including both consultant services and Metro labor, which had been paid by LASI to Metro as advanced payment. This additional cost is within the FY17 approved budget in Cost Center 4350, Transit Corridors, Project Number 405553, Downtown Streetcar Project Environmental.

Since this is a multi-year contract, the cost center manager and the Chief Planning Officer will be accountable for budgeting the cost in the future years.

Impact to Budget

The source of funding for this contract is the City of Los Angeles through LASI. As these funds are specified for this project under agreement with LASI, they are not eligible for bus and rail capital or operating expenses.

ALTERNATIVES CONSIDERED

The Board could choose not to authorize execution of the contract modification. This is not recommended as Metro and the City have reviewed and approved the proposed contract modification, and delay may compromise the pursuit of federal funding.

NEXT STEPS

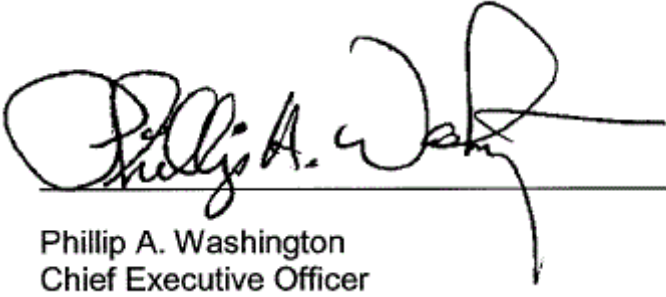
Upon Board approval, staff will execute Modification No. 13 to Contract No. PS10-4320-2618 for the preparation of federal environmental documentation. Staff will continue to coordinate with the City and assist with the steps necessary to meet federal environmental and funding eligibility requirements for Small Starts.

ATTACHMENTS

- Attachment A - Procurement Summary
- Attachment B - Contract Modification/Change Order Log
- Attachment C - Proposed Downtown Los Angeles Streetcar Route
- Attachment D - Board Motion, February 18, 2016, Item No. 34
- Attachment E - DEOD Summary

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