



Board Report

File #: 2018-0072, File Type: Contract

Agenda Number:

PLANNING AND PROGRAMMING COMMITTEE
MAY 16, 2018

SUBJECT: WEST SANTA ANA BRANCH TRANSIT CORRIDOR

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

RECOMMENDATIONS A AND B APPROVED AS AMENDED DURING MAY'S REGULAR BOARD MEETING, RECOMMENDATION C TO BE VOTED ON DURING JUNE'S REGULAR BOARD MEETING.

CONSIDER:

A. RECEIVING AND FILING:

1. West Santa Ana Branch Transit Corridor Updated Northern Alignment Options Screening Report, including project goals; and
2. Update on Public-Private Partnership (P3) project delivery procurement process

B. AUTHORIZING:

1. Northern alignment options to carry forward into Draft Environmental Impact Statement/Environmental Impact Report (EIS/EIR)
 - a. Concept E: Union Station via Alameda Underground
 - b. Concept F: Union Station via Alameda Underground/Center Aerial
 - c. Concept G: Downtown Transit Core Underground

FASANA AMENDMENT: As part of the environmental process, consider studying up to 6-car platforms.

C. AUTHORIZING the Chief Executive Officer to execute:

1. Modification No. 2 to Contract No. AE5999300 with WSP USA Inc. for technical services for the evaluation of the three northern alignments in the Draft EIS/EIR in the amount of \$2,760,752, increasing the total contract value to \$12,405,244; and

- 2. Modification No. 1 to Contract No. PS2492300 with Arellano Associates for outreach support for the augmented Community Participation Program as part of the evaluation of the three northern alignments in the Draft EIS/EIR in the amount of \$429,310, increasing the total contract value to \$922,203.

ISSUE

At the March 1, 2018 meeting, the Board authorized expanding the northern alignment study area to address scoping period comments and updated technical information. Based on community input and technical analysis, a Northern Alignment Alternatives and Concepts Updated Screening Report (Updated Screening Report) has been completed. Attachment A contains the Executive Summary, inclusive of performance, travel and cost information. The full report is on file and available upon request.

The Updated Screening Report recommends three (3) northern alignment options to be carried forward into the environmental document for further analysis. The Board is deciding on actions necessary to advance the NEPA and CEQA review of the West Santa Ana Branch (WSAB) Transit Corridor (Project), but is not making a decision about the final project. Board action is needed in order to proceed forward with the environmental analysis and remain on schedule per the Measure M groundbreaking date of Fiscal Year (FY) 2022. In addition, Board action in May would facilitate efforts for project acceleration.

BACKGROUND

The WSAB Project is a proposed light rail transit (LRT) line that would extend approximately 20 miles from downtown Los Angeles through southeast Los Angeles County (LA County). South of downtown Los Angeles, a single alignment has been identified following existing right-of-way parallel to the Blue Line owned by Union Pacific, then along Randolph Avenue in the City of Huntington Park using Metro owned Right-of-Way (ROW), then following the San Pedro Subdivision Branch (owned by Port of Los Angeles and Port of Long Beach), to the eight-mile, Metro-owned, abandoned Pacific Electric ROW to the southern terminus in the City of Artesia. WSAB would traverse a highly populated area, with high numbers of low-income and heavily transit-dependent residents. A primary goal of the Project is to improve mobility by connecting the communities of southeast LA County with the Metro rail network.

The Project is identified in Measure M as a light rail transit (LRT) project. The exact project description of all projects set forth in the Measure M ordinance are to be defined by the environmental process, which includes features such as termini, alignment and stations. Per Measure M and Metro’s 2009 Long-Range Transportation Plan (as amended), the Project has a \$4 billion (B) (2015\$) allocation based on the cost estimate in the Measure M Expenditure Plan (Proposition A and C funds may not be used for underground segments). Per Measure M, funding becomes available in two cycles as follows:

Measure M Expected Opening Date	L RTP Funding Allocation (2015\$)
FY 2028	\$1 billion

FY 2041	\$3 billion
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Measure M indicates that an early delivery of the second funding cycle may be made possible with a Public Private Partnership (P3) delivery method. A P3 is being pursued as a delivery strategy for accelerating the second funding cycle, which may enable Metro to deliver the project in one phase, coupled with a comprehensive delivery approach.

The entire Project is also included in Metro's "Twenty-Eight by '28 Initiative" project list as an aspirational project schedule to be completed in time for the 2028 Olympic and Paralympic Games in Los Angeles. Therefore, efforts are being made to achieve an early project delivery; this May 2018 Board action would facilitate efforts for project acceleration.

Northern Alignments

In September 2016, the Board authorized award of a professional services contract (Legistar file 2016-0571) to environmentally clear the Project under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). As part of this planning process, a Northern Alignment Options Screening Report (April 2017) was prepared to further assess six northern alignment options previously analyzed in the Technical Refinement Study (TRS), received by the Board in September 2015 (Legistar file 2015-0994). As a result of the Northern Alignment Options Screening Report, per Board action at the April 2017 meeting (Legistar file 2017-0152), four northern alignment options were carried into the scoping period for the environmental analysis as shown in Attachment B:

- A. Pacific/Alameda
- B. Pacific/Vignes
- C. Alameda
- D. Alameda/Vignes

In June 2017, as part of the environmental process, public scoping meetings were held in the cities of Bellflower, Huntington Park, Los Angeles, and South Gate. The meetings provided project updates to stakeholders and solicited comments through an extended formal comment period that ended in August 2017. At the conclusion of the public scoping period, over 1,100 comments were received. Approximately 400 of the comments were submitted by Little Tokyo stakeholders. A majority of the comments expressed strong opposition to some or all of the northern alignment options and were particularly opposed to an elevated alignment along Alameda Street. In general, comments from the Little Tokyo community included concerns regarding the potential visual impact of an aerial alignment and concerns regarding the potential construction impacts brought on by a WSAB alignment through their community. Similarly, the Arts District and Industrial District communities also generally expressed concerns with an at-grade or elevated alignment along Alameda Street.

Metro also received scoping letters from several agencies. In their scoping letters, Metrolink, the Federal Railroad Administration (FRA) and the California High Speed Rail Authority (HSR) expressed concerns regarding the northern alignment options. Specifically, their comments focused on encouraging Metro to seek alternatives that do not limit or preclude the potential for existing or future regional railroad capacity at Union Station (LAUS), reasoning that LAUS is the regional rail hub and, therefore, should prioritize regional rail services due to limited platform availability.

In response to comments received during the scoping period and ongoing technical analysis, the project team analyzed additional northern alignment options, coordinating with several departments. Considerations brought to bear in developing additional alignments responsive to public comment included potential terminus station areas and identifying opportunities and challenges as they relate to operations, transit oriented communities (TOC) and constructability of the alignments. Additional new northern alignment options were developed and further refined. The new northern alignment concepts that emerged can be found in Attachment C. They are:

- E. Alameda (underground) to Union Station
- F. Alameda (underground)/Center (aerial) to Union Station
- G. Downtown Transit Core underground to 7th/Metro or Pershing Square station areas
- H. Arts District/6th Street underground to Union Station via extended Purple or Red Lines

DISCUSSION

Given the factors identified in the scoping comments and workshops, an Updated Screening Report was completed to provide a detailed screening evaluation of the original and new northern alignment concepts to identify the highest performing alignment options. As part of the Updated Screening Report, eight northern alignment options were analyzed, including the original four alignments and four supplemental northern alignment concepts. The eight options were evaluated based on how well they addressed the qualitative Project goals as well as key, quantitative performance factors.

The Project goals are intended to qualitatively guide the overall planning process and serve as one of several performance measurement tools. Attachment D summarizes how each alignment qualitatively performed when compared to the goals. The Project goals are:

- Provide Mobility Improvements
- Support Local and Regional Local Use Plans and Policies
- Minimize Environmental Impacts
- Ensure Cost Effectiveness and Financial Feasibility
- Ensure Equity

In addition to the Project goals, staff also quantitatively evaluated each northern alignment options against key performance factors. These factors which aim to capture the customer impact and experience are compared for each alignment in Attachment E.

Community Engagement

The Updated Screening Report provides a summary of the outreach efforts held March through April 2018, including location of meetings held and feedback received. Comments received at the community meetings, via the online comment form and via e-mail cite both LAUS and the Downtown Transit Core as the top preferences for potential riders beginning/ending their trips. Of those who indicated an alignment preference, Concepts E and G are preferred. Other comments submitted pertained to pedestrian connections, safety, homelessness, first/last mile connections, parking supply, impacts at and around stations, property values, noise levels, aesthetics, construction

impacts, alignment configuration, budget, ridership, P3 potential, and property acquisitions. Stakeholder briefings, meetings, presentations and comment letters received from the southern portion of the project corridor revealed a substantial amount of support for a one seat ride to LAUS and opposition to a terminus in the Arts District.

Briefings, meetings, presentations and comment letters received from stakeholders in the northern portion of the project corridor yielded interest in additional alignments and an interest in having Metro consider heavy rail transit as the mode for WSAB. A rough order of magnitude (ROM) cost for a 20-mile WSAB heavy rail alignment based on recent Metro projects was prepared and found the cost to range between \$12.3B and \$18.4B. It has also been determined, in consultation with the Federal Transit Administration (FTA), that the environmental process would need to be restarted, thereby impacting the project schedule.

Recommended Alignments

Based on the technical evaluation and public/stakeholder input, the Updated Screening Report recommends three options to be carried forward into the Draft environmental document for further analysis and refinement. Attachment F includes a map of the three recommended alignments. These alignments also represent a reasonable range of alternatives to be evaluated as required by the state and federal environmental process.

- Two alignments would terminate at LAUS; one would terminate in the Downtown Transit Core.
- All three alignments are completely underground or have substantial underground configurations in the downtown LA area.
- All three options would run parallel to the Blue Line between the Slauson and Washington stations, thereby allowing transfer opportunities, which would also provide relief to the Blue Line. As the Blue Line tends to operate at capacity in one direction at the peak hour, providing passengers with an alternative to riding the Blue Line all the way into downtown LA was identified as an important operational consideration.
- All three alignments would provide at least one station to serve the Arts District area.
- Attachments G1 and G2 illustrate trips that are common to the LAUS and Downtown Transit Core termini. Approximately 90% of trips are common to both termini.

The three recommended options are:

- **Concept E - Union Station via Alameda Underground:**
 - Description: Extends approximately 7.9 miles between LAUS and the Florence/Salt Lake Station along the Metro Blue Line and Alameda Street.
 - Ridership: It has estimated daily boardings of 81,000 of which includes an estimated 27,000 new riders.
 - Connectivity: This alignment allows for a direct connection to LAUS.
 - Cost Estimate: As a mostly underground alignment, Concept E has a preliminary capital cost of \$5.8B (2017\$).
 - Overall Evaluation: Concept E received an overall score of High and is recommended to move forward.
 - Other Factors: This option would provide a one seat ride to the west side of LAUS,

providing transfer opportunities to Metro rail and bus and regional rail services. The alignment addresses community concerns expressed as part of the Scoping process. The alignment also includes an optional station at 1st/Central providing a connection to the Regional Connector future north/south and east/west connections. The alignment could serve an Arts District Station in the vicinity of Alameda and 7th Streets.

- **Concept F - Union Station via Alameda/Center:**

- Description: Extends approximately 8.1 miles between LAUS and the Florence/Salt Lake Station along the Metro Blue Line, Alameda Street and then Center Street.
- Ridership: It has estimated daily boardings of 74,500 of which includes an estimated 26,000 new riders.
- Connectivity: This alignment allows for a direct connection to LAUS and therefore one transfer to the future north-south line and regional rail services.
- Cost Estimate: As a partially underground alignment, Concept F has a preliminary capital cost of \$5.4B (2017\$).
- Overall Evaluation: Concept F received an overall score of Medium/High and is recommended to move forward.
- Other Factors: This option would provide a one seat ride to LAUS, providing transfer opportunities to Metro rail and bus and regional rail services. The alignment addresses community concerns expressed as part of the Scoping process; however, an aerial configuration would be required on Center Street to terminate at Platform 2. The alignment could serve an Arts District Station in the vicinity of Alameda and 7th Streets.

- **Concept G - Downtown Transit Core:**

- Description: Extends approximately 8.0 miles between the Downtown Transit Core and the Florence/Salt Lake Station parallel to the Metro Blue Line then primarily under Alameda, 7th and 8th Streets.
- Ridership: It has estimated daily boardings of 78,500 of which includes an estimated 25,000 new riders.
- Connectivity: If the terminus allows for a connection to 7th/Metro Center, one transfer can be made to Red, Purple, North-South and East-West lines. If the terminus allows for a connection to Pershing Square, then two transfers are required to access the future North-South and East-West lines. Two transfers are needed to access regional rail services.
- Cost Estimate: As a mostly underground alignment, Concept G has a preliminary capital cost of \$5.8B (2017\$).
- Overall Evaluation: Concept G received an overall score of Medium/High and is recommended to move forward.
- Other Factors: This option would support connectivity for emerging Transit Oriented Communities at South Park/Fashion District and the Arts District South Station, and provide access to very high population and employment densities. It best serves transit dependent/Environmental Justice communities. Extending WSAB to a potential 5th/Flower station at the Regional Connector creates significant problems in allowing for a station connection at Pershing Square. Therefore, this alignment does not allow for a future direct extension to a future 5th/Flower station.

The three concepts recommended to move forward will be further studied as part of the Draft EIS/EIR. The remaining five concepts will be eliminated from further consideration, as these concepts do not perform as well in advancing the goals of the Project. The environmental document will describe the five eliminated concepts and explain why they were dropped from further consideration. This will be done as part of the Scoping and Updated Screening Process description of the environmental document where staff will capture alternatives that have been considered but were dropped from further evaluation.

Cost Estimates

All project cost estimates are rough order of magnitude. None of the eight options are close to the estimated budget in Measure M. Significant project design development remains. Cost estimates are expected to increase, resulting from further defining the project during the environmental review and public, stakeholder and partner engagement processes. Therefore, cost was not deemed determinative in screening alignments into the subsequent environmental review process. However, a reasonable and achievable funding package will be prepared to address costs and deliver a project within the envelope suggested by the estimated costs.

Technical Services Contract Modification No. 2

The execution of Contract Modification No. 2 will allow the contractor to conduct additional analysis, design work and updates to the technical reports to reflect the approved northern alignments and complete the environmental document.

Outreach Services Contract Modification No. 1

The execution of Contract Modification No. 1 will allow the outreach contractor to continue implementing focused outreach services to the corridor communities in support of the environmental document.

P3 Procurement Activities

Public Private Partnership (P3) is an innovative project delivery and financing model where Metro partners with a private sector firm to improve project performance, reduce short- and long-term costs, transfer project risks, and accelerate completion of a project. P3 delivery can include private sector participation in funding the project, as well as the operations and maintenance over extended periods of time. The procurement process for the WSAB Project will be a two-stage procurement, consisting of a Request for Qualification (RFQ) phase followed by a Request for Proposals (RFP) phase. Interim milestones for achieving the RFQ and RFP phases include Market Sounding, Shortlisting of Procurement Options, Qualitative Assessment, Risk Identification/Analysis, and Value for Money Assessment. These deliverables will form the P3 Business Case that will drive an effective competitive procurement that can best deliver on Metro's project objectives. During this process, Metro will provide regular updates to the Board, as well as conducting Small Business Outreach.

Market Sounding

The Metro P3 Team completed a phased Market Sounding to support delivery of the WSAB P3 Project. Market Soundings is a series of separate, one-on-one discussions between a public project sponsor (and its P3 advisors) and current P3 market participants to assess a project's financial feasibility, risk allocation, and other related topics, to help inform the optimal approach for delivering the project. The Project Team anticipates undertaking up to three Market Soundings over the next 12 months (leading up to the issuance of the RFQ). Once the Market Sounding is complete, findings will be compiled to inform subsequent key decisions that will determine the path forward for the WSAB P3.

A few key findings from the first Market Sounding included the following:

- Confirmed a strong interest in a P3 and were broadly supportive of Design-Build-Finance-Operate-Maintain arrangement.
- Identifying one operator for the entire alignment was recommended, even if the Project is phased.
- Considerations for including rolling stock could lead to potential efficiencies.
- In general, the industry indicated that TOC should not be included as part of the P3.
- Participants indicated that affordability of the project scope and timing of delivery would need to be confirmed before procurement, and that an affordability cap could bring additional certainty and ensure successful transaction close if projected costs exceed budget.

Request for Qualifications and Request for Proposals

The RFQ/RFP process will provide an opportunity for Metro to evaluate the most qualified firms on the basis of technical and financial capability, as well as a strong track record of safety and completing successful P3 projects of similar size and complexity. Current schedule for the WSAB project includes releasing the RFQ in 2019. The Metro P3 Team will determine the subsequent schedule for release of the Draft and Final RFP and Project Agreement, as the project scope continues to be developed by Countywide Planning and Development. The Team will advise the Board once the dates are determined.

DETERMINATION OF SAFETY IMPACT

These actions will not have any impact on the safety of our customers and/or employees because this Project is at the study phase and no capital or operational impacts results from this Board action.

FINANCIAL IMPACT

The FY 2017-18 budget includes \$4,507,640 in Cost Center 4370 (Systemwide Team 3), Project 460201 (WSAB Corridor Admin) for professional services. Since this is a multi-year contract, the Cost Center Manager and Chief Planning Officer will be responsible for budgeting in future years.

Impact to Budget

The funding for this Project is from Measure R 35%. As these funds are earmarked for the WSAB Transit Corridor project, they are not eligible for Metro bus and rail capital and operating expenditures.

ALTERNATIVES CONSIDERED

The Board could decide not to approve the recommended northern alignment options to be carried forward into the Draft EIS/EIR. This alternative is not recommended, as this would impact the Project's environmental clearance schedule and would not be responsive to comments received during the scoping period on the current alignments or consider updated technical information. This would also not be consistent with prior Board direction to advance the Project and Measure M. The narrowing of the options will ensure the Project remains on schedule and will also support the procurement of a contractor to deliver the Project.

The Board may also advance other alignment options into the environmental clearance process. The following options are identified below, along with staff's reasoning for why these options are not as well-suited to achieve the Project goals as the recommended options. Including more options than necessary in the environmental document has cost, schedule and risk implications.

- Alternatives A: Pacific/Alameda and B: Pacific/Vignes - Both alignments would turn north via Pacific Avenue to Santa Fe, terminating at LAUS. These alignments are not recommended to move forward because land uses along this alignment are not supportive to transit and there is insufficient interest from local jurisdictions to leverage transit with TOC.
- Alternatives C: Alameda and D: Alameda/Vignes - Both alignments would turn north via Alameda Street in an aerial configuration terminating at LAUS. These alignments are not recommended to move forward due to significantly negative urban design impacts, strong community opposition and potential cumulative construction impacts to the Little Tokyo Community.
- Concept H: Arts District/6th Street - This alignment would turn north parallel to the Los Angeles River in an underground configuration with a station at the Arts District/6th Street. This alignment would include extending either the Red or Purple Line to this station for passenger service as part of the WSAB project, providing a transfer opportunity to passengers wishing to travel to LAUS. This alignment is not recommended to move forward due to low compatibility with the Project goals, including low ridership and limited benefits to transit-dependent and minority populations. Furthermore, all of the three recommended options serve areas of the Arts District. The recommendation to not carry forward Concept H into the WSAB environmental process does not preclude a separate effort to study and/or environmentally clear an Arts District station.
- Alignments and Modes Suggested by Others - Various stakeholders in the northern portion of the Project corridor expressed interest in potential new alignments, including shifting Concept G (Downtown Transit Core) or Concept H (Arts District/6th Street) to head west from the proposed 7th/Alameda Station or Arts District/6th Street station, respectively, and travel southwest to the existing Pico Station of the Metro Blue and Expo Lines. Although a potential alignment to the Pico Station may provide additional and direct connectivity to South Park/Fashion District and LA Live/Staples Center, this alignment would increase travel time and further reduce the number of new riders traveling between the southern portion of this alignment and northern destinations. Moreover, it results in a forced transfer to travel from the

Pico station to 7th/Metro Center for those whose destination is elsewhere.

As previously noted, heavy rail transit was also suggested as a mode. A rough order of magnitude (ROM) cost for a 20-mile WSAB heavy rail alignment based on recent Metro projects was prepared and found the cost to range between \$12.3B and \$18.4B. It has also been determined, in consultation with the FTA, that the environmental process would need to be restarted, thereby impacting the project schedule. Therefore, heavy rail transit is not recommended.

NEXT STEPS

Upon Board approval, staff will continue to perform the necessary environmental analyses and outreach to complete the Draft EIS/EIR, along with concurrently proceeding with the P3 procurement process. In addition, staff will execute the contract modifications with WSP for technical services and with Arellano Associates for outreach support services.

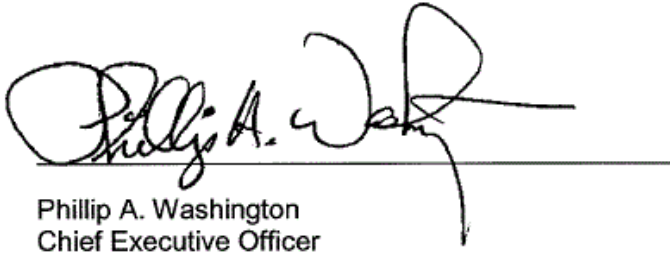
As a result of Board approval, a series of updated scoping meetings will be held in summer 2018 to update communities and public agencies on the northern alignment options being carried forward into the environmental document and gather their feedback, as required by NEPA and CEQA. The FTA is serving as lead agency for purposes of NEPA and staff will be coordinating with the FTA on the updated scoping meetings. Staff will also continue to provide briefings to key stakeholders, in addition to continued public outreach efforts along the corridor.

ATTACHMENTS

- Attachment A - Northern Alignment Alternatives and Concepts Updated Screening Report- Executive Summary
- Attachment B - Original Northern Alignment Map
- Attachment C - New Northern Alignments Map
- Attachment D - Northern Alignments Summary of Project Goals Results
- Attachment E - Northern Alignments Summary of Key Performance Measurements
- Attachment F - Recommended Northern Alignments Map
- Attachment G1 - LAUS and Downtown Transit Core Origin Trips
- Attachment G2 - LAUS and Downtown Transit Core Destination Trips
- Attachment H-1 - Procurement Summary AE5999300
- Attachment H-2 - Procurement Summary PS2492300
- Attachment I-1 - Contract Modification/Change Order Log AE5999300
- Attachment I-2 - Contract Modification/Change Order Log PS2492300
- Attachment J-1 - DEOD Summary for H-1
- Attachment J-2 - DEOD Summary for H-2

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