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Agenda Number: 12.

REVISED
CONSTRUCTION COMMITTEE
NOVEMBER 16, 2023

SUBJECT: EB SR-91 ATLANTIC TO CHERRY IMPROVEMENTS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

CONSIDER:

- A. ESTABLISHING a Life-of-Project budget for the EB SR-91 Atlantic to Cherry Improvements in the amount of \$174,187,000; and
- B. AUTHORIZING the Chief Executive Officer to negotiate and execute project-related agreements, including contract modifications, up to the authorized Life-of-Project budget.

ISSUE

An LOP budget for the Project is required to execute contracts and pursue completion of the Project. Establishing the LOP budget after bids are received is based on lessons learned and best management practices regarding establishing final budgets, when adequate information (such as the receipt and validation of responsiveness of hard bids) is available. Approval of the LOP at this time is required to meet funding deadlines set by external grant partners and will maintain the Project schedule. Specifically, award of the construction contract by end of year 2023 will secure \$48.332 million in Trade Corridor Enhancement Program funding for the Project.

BACKGROUND

This 1.4-mile Project will improve the operations and safety of the corridor by elimination of the lane reduction at the gore of the SB I-710 to eastbound SR-91 connector and the reconfiguration of the eastbound on-ramp from Atlantic Avenue and the eastbound off-ramp to Cherry Avenue. The improvements also include the additional eastbound auxiliary lane from Atlantic Avenue to Cherry Avenue by reconfiguring Atlantic Avenue Undercrossing, Myrtle Avenue Undercrossing, Orange Avenue Undercrossing, and Walnut Avenue Undercrossing. All of these improvements provide operational and safety improvements that would reduce truck congestion and increase safety on the heavily used freight corridor. The specific improvements chosen were informed by an analysis of

mainline and ramp collision history, performed by Caltrans Traffic Accident Surveillance and Analysis System. For the area within this Project, total accident rates range from 30% to 73% higher than the total statewide average accident rate, depending on category. Fatal plus Injury are also higher than statewide average rates. Data associated with these accidents show that accidents were indicative of ramp and auxiliary lane congestion due to weaving patterns and/or existing ramp and intersection geometry. The safety improvements to the SR-91 Corridor are expected to avoid one fatality, 366 injuries, and 646 crashes resulting in property damage over the 20-year study period. The project improves throughput while reducing travel times for freight and passenger travel utilizing the corridor.

The Project is consistent with Metro's Objectives for Multimodal Highway Investment (June 2022), given that: 1) the project supports traffic mobility, enhanced safety, economic vitality and access to opportunity, and; 2) multi-modal features were incorporated in the scope of the project (on local arterials) through an integrated planning approach to address the needs of local communities and create a safer transportation system. Such elements include:

- Increasing the depth of proposed retaining walls to facilitate the implementation of the Hamilton Loop Park Project. This Project is being led by the City of Long Beach Parks and Recreation Department for the purpose of creating more green space for the Hamilton Neighborhood, which neighbors the proposed Project area.
- The Project includes additional provisions to add more lighting and irrigation lines for landscaping to facilitate the improvements being proposed as part of the Hamilton Loop Project.
- The Project includes the replacement of 900' of sidewalk with widening to maintain ADA compliance.
- Based on Metro Tree Policy, the project will provide for tree replacement from a 1:1 ratio to a 1:2 ratio. In addition, the project provides air filtration systems and filter replacements to residents and businesses within 750 feet of the Project. Metro staff are coordinating with the City of Long Beach for the implementation of these items.

Further, no residential or business displacements or property acquisitions are necessary for this project.

A Negative Declaration/Finding of No Significant Impact was approved on May 24th, 2021, with a re-validation approved on April 28th, 2022. Environmental certification right of way certification was approved on May 2nd, 2022.

DISCUSSION

The Project is being delivered through a contractual partnership between Caltrans and Metro in the form of cooperative agreements for design and construction. Metro, defined as a Local Agency within

these agreements, is responsible for advertising, awarding, and administering the contract. The Project is funded through a combination of federal and Metro local funding, as shown in Attachment A Funding and Expenditure Plan. Metro will be responsible for managing the Project budget and identifying any future funding, if required.

Partnering sessions with Caltrans have been ongoing to ensure a high level of collaboration and issue resolution during the Project planning, design, and procurement phase. Metro staff, supported by County Counsel, performed an extensive contract review and revision process to ensure that the highway contract reflected the technical and commercial requirements of both parties. In parallel to this contract review/revision process, a detailed low-bid style cost estimate and constructability analysis was performed. Caltrans-assigned oversight personnel have provided support to Metro throughout these processes.

To date, the Project has been funded yearly on a fiscal basis. The proposed LOP budget for this project is based on total project costs incurred (\$8.51M) including Metro labor and non-labor costs for Project Approval and Environmental Document (PA&ED), Plans, Specifications, and Engineering (PS&E), Utilities, Right-of-Way (ROW) support, the forecasted construction cost and support, and required contingencies. The proposed LOP budget utilizes lessons learned on past local agency delivered highway projects and the Project specific risk profile developed and approved through an FHWA risk assessment based process. This Project is being constructed wholly within Caltrans ROW; therefore, there are no property takes required, and no third-party utilities have been identified during the design process.

At its September 2023 meeting, the Board authorized a construction management support services (CMSS) contract for construction management and Project oversight support. Key personnel from that contract are being onboarded to assist Metro staff in the procurement and pre-construction activities required for the Project. The Construction Contract Invitation for Bid was released on August 24th, 2023, and 2 bids were received on October 9th, 2023. See Attachment B for Bid Opening and Bid Summary.

The Independent Cost Estimate (ICE) was approximately 30% lower than the apparent low bidder. The ICE for Caltrans work is based upon historical unit pricing. Due to unprecedented inflation and saturated construction market, bid pricing for Caltrans work has been trending 20% to 30% over historical. The ICE did not take into account this excessive increase, and only reflected unit pricing for projects that were bid in the previous 5 years. Additionally, construction of the Project requires a complex temporary shoring system and the Contractor pricing for this shoring system was significantly higher than traditional Caltrans unit pricing for shoring utilized in the ICE. Design-build projects typically carry a 10% to 12% contingency on construction because the design is carried out to 100%. For this Project, staff has allocated a 10% contingency in the amount of \$9,963,712 for construction, which is carried in the construction line item, due to the following risk factors identified in the risk assessment process:

- Due to the Project location within a sensitive paleontological area, paleontological impacts are expected during construction of Cast-in-Drilled-Hole pile installation, sound wall and retaining wall foundation construction, and the bridge foundation construction.

- Latent sub-surface features, including buried human-made objects, unknown utilities, and differing site conditions.
- Unanticipated presence of protected special-status species in active construction areas resulting in construction delays, specifically within the existing bridges near the LA River.
- Complex temporary shoring system that requires specialized contractors and has a high probability of changing conditions.

Staff have also included a \$6,000,000 contingency on non-construction related items, such as engineering and consultant support, Metro labor, and other Project soft cost items. This represents an approximate 9% contingency on non-construction related items. Consequently, the requested LOP amount includes a total contingency of \$15,963,712.

Project Schedule & Community Outreach

Notice of Award is anticipated in December 2023 with a start of construction in Spring of 2024. The contract duration is 56 months, which is inclusive of 73 adverse weather days anticipated during the Project. Construction completion is slated for Summer 2028. The schedule for construction contract award is developed to coincide with current budgetary considerations and to ensure contractor mobilization and construction expenditures meet the TCEP funding requirement to issue Notice of Award by December 31, 2023.

Staff have begun the Project communication, notification, and outreach program to the local jurisdictions, stakeholders, residents, businesses, and the public. Metro has developed and continues to build valuable partnerships with local and regional jurisdictions and stakeholders including California Department of Transportation, City of Long Beach, City of Paramount, and Gateway Cities Council of Governments.

DETERMINATION OF SAFETY IMPACT

Approval of these recommendations will have no detrimental safety impact.

FINANCIAL IMPACT

This is a multi-year Project. Upon approval of the Life of Project budget, staff will manage the Project within the Board approved fiscal year budgets. It is the responsibility of the Project Manager and Chief Program Management Officer to budget for this project in future fiscal years.

Impact to Budget

The Project is funded with the Trade Corridor Enhancement Program (TCEP) (\$48,332,000) funds and Metro local funds from the Measure R - Highway 20%, Interstate 605 Corridor "Hot Spot" Interchanges program (\$125,855,000), subject to approval by the Gateway Cities Council of

Governments and subsequent Metro Board action to formally program these funds. These funds are not eligible for bus or rail operations. Metro is also seeking to program approximately \$24,000,000 of federal Surface Transportation Block Grant Program (STBG), which would reduce the amount of Measure R 20% needed. For FY24, Metro budgeted \$15,000,000 for this work in Cost Center 8510, Project 460351. There will be no impact on the FY24 budget.

EQUITY PLATFORM

The SR-91 EB from Atlantic Avenue to Cherry Avenue Improvement, is located within an Equity Focus Community (EFC) of the City of Long Beach and adjacent to the EFCs of Cities of Compton and Paramount. The Project will implement Complete Streets elements and ADA features and enhance traffic safety for the surrounding communities. The term “Complete Streets” describes a comprehensive, integrated transportation network with infrastructure and design that allows safe and convenient travel along and across streets for all users, including pedestrians, users and operators of public transit, bicyclists, persons with disabilities, seniors, children, motorists, users of green modes, and movers of commercial goods. The California Department of Transportation defines a Complete Street as “a transportation facility that is planned, designed, operated, and maintained to provide safe mobility for all users, including bicyclists, pedestrians, transit riders, and motorists appropriate to the function and context of the facility.” This project adheres to the high level policy direction that helps redefine how transportation agencies approach streets and highways so that the default outcome is a transportation system that balances the needs of all users, regardless of age, ability, or mode of transportation. Through continued and incremental changes in capital projects, the street network gradually becomes safer and more accessible for travelers of all ages and abilities.

DEOD established a 22% Disadvantaged Business Enterprise goal for the construction of the Project. The Project is also subject to Project Labor Agreement/Construction Careers Policy Local Targeted Worker provisions. For the professional services CMSS contract, , Arcadis made a 28.05% Small Business Enterprise and 3.02% Disabled Veteran Enterprise commitment.

The Project will employ a robust community engagement program including Public Information/Public Awareness Campaign (PAC) with the goals of building awareness, sharing project information, identifying key issues and concerns important to the public, elected officials, and government agencies and integrating public feedback into the project during the construction phase: The Project area has a meaningfully greater racial minority population than that of Los Angeles County. The Project area has a Hispanic or Latino population greater than 50 percent of the total population, and the percentage of total minority populations ranges between 76 and 97 percent. Based on the demographic data, outreach materials (i.e., fact sheets, letters, flyers, newspaper ads) will be translated into Spanish as needed.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

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

Goal 1: Providing high-quality mobility options that enable people to spend less time traveling.

Goal 2: Enhance Communities and lives through mobility and access to opportunity.

Goal 3: Transform LA County through regional collaboration and national leadership.

ALTERNATIVES CONSIDERED

The Board may choose not to move forward with the establishment of an LOP budget. This is not recommended as this would risk expiration of Contractor submitted low bids, and delays to schedule could jeopardize Metro's obligations to TCEP to award a construction contract by end of year 2023.

NEXT STEPS

Upon Board approval of the recommendations, staff will move the Project forward into construction.

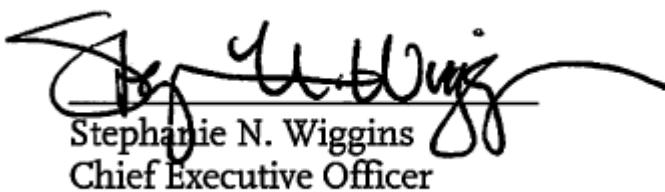
ATTACHMENTS

Attachment A - Funding and Expenditure Plan

Attachment B - Bid Opening and Bid Summary

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