

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 24-25, 2008

Reference No.: 2.1c.(1)  
Action Item

From: CINDY McKIM  
Chief Financial Officer

Prepared by: Rachel Falsetti  
Division Chief  
Transportation Programming

Subject: **CMIA PROJECT BASELINE AMENDMENT**  
**RESOLUTION CMIA-PA-0809-003**  
**TCRP RESOLUTION TAA-08-04, AMENDING RESOLUTION TAA-07-23**

## **RECOMMENDATION:**

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve a project baseline agreement amendment to the Corridor Mobility Improvement Account (CMIA) Program (Resolution CMIA-PA-0809-003) and an amendment to the Traffic Congestion Relief Program (TCRP) (Resolution TAA-08-04) as described below.

## **ISSUE:**

The Department, in conjunction with Los Angeles County Metropolitan Transportation Authority (LACMTA), proposes the following programming revisions to the Route 405 Northbound High Occupancy Vehicle (HOV) lane project, Route 10 to Route 101 in Los Angeles County (PPNO 0851G and TCRP Project #39):

- Revise the definitions of Design (PS&E) and Construction to Preliminary Engineering/Design Support (PE/DS) and Construction Design-Build (Con-D/B), respectively, for the purposes of this design-build contract.
- Redistribute \$14,000,000 in TCRP funds from PS&E to Con-D/B.
- Redistribute \$7,000,000 in TCRP funds from PS&E to Environmental (PA&ED).
- Program \$48,000,000 in TCRP funds to Con-D/B.
- Document the commitment of \$48,000,000 in LACMTA alternate funding to backfill TCRP funds in the event they are unavailable when needed.
- Update the project schedule and funding plan.

## **BACKGROUND:**

This project will widen Route 405 and add an HOV lane in the northbound direction, thereby closing a critical gap in the current system. This project is utilizing landmark design-build legislation that will allow LACMTA to optimize the construction schedule in order to award the contract by April 2009. The design-build process, which is different than the Department's normal design-bid-build process, allows for the final design of the project to occur simultaneously with materials

procurement, certifications and construction. For the purposes of this design–build contract, PS&E will be redefined as PE/DS and will include design activities performed prior to award of the contract. Construction will be redefined as Con-D/B and will include design and construction activities performed following award of the contract.

This project funding plan includes \$90,000,000 from TCRP Project #39. To date, \$42,000,000 (\$15,000,000 PA&ED and \$27,000,000 PS&E) has been allocated for this project. As a result of redefining the project funding components as explained above, it is necessary to redistribute \$14,000,000 in TCRP funds from PS&E to Con-D/B.

Also, it is proposed to redistribute \$7,000,000 from PS&E to PA&ED. Some of the work that would normally be done during the PS&E phase was taken to a more detailed level during the PA&ED phase, increasing the amount of time and funds required for the phase. This delayed completion of PA&ED from July 2007 to February 2008. Now that preliminary engineering is in its final stages, the net allocated amount of \$6,000,000 is sufficient for the remaining PE/DS work involved in the design-build contract.

LACMTA requested an allocation of \$730,000,000 CMIA and \$48,000,000 TCRP at the August 26, 2008 Commission meeting. Due to the shortfall in TCRP funding this fiscal year, the Commission deferred the allocation request. Since then, the Department and LACMTA have reached an agreement on a proposed funding strategy that allows the project to be fully funded for advertisement with the commitment of \$48,000,000 in LACMTA alternate funding to backfill the TCRP funds in the event they are unavailable when needed. The proposed funding strategy is detailed in the attached letter from LACMTA, dated August 28, 2008 (Attachment 3).

It is understood that LACMTA Board of Directors must approve, through Board Resolution, a funding commitment to this project consistent with the terms outlined in LACMTA's September 25, 2008 letter.

This amendment also revises the project schedule as shown on the attached Project Fact Sheet (Attachment 1).

A concurrent TCRP allocation amendment is also requested to redistribute previously allocated funds of \$21,000,000: \$14,000,000 from PS&E to Con-D/B; and \$7,000,000 from PS&E to PA&ED.

**RESOLUTION:**

Be it resolved, that the California Transportation Commission does hereby amend the Corridor Mobility Improvement Account Program (PPNO 0851G) to reflect the changes proposed in the attached documents; and

Be it further resolved, with all conditions stipulated still in effect, the California Transportation Commission hereby revises TCRP Project #39 as shown on the attached documents; and

Be it further resolved, if the Commission is able to allocate the TCRP funds prior to June 30, 2011, the Commission's deferred allocation status will enable LACMTA to add those funds back into the project budget without prejudice after the point of contract award; and

Be it further resolved, if necessary, due to a continuing TCRP shortfall in June 2011, LACMTA will be permitted to return to the Commission to request the originally contemplated TCRP Letter of No Prejudice (LONP) for use in the event that the TCRP funds subsequently become available after the project is open to the public; and

Be it further resolved, that if the Commission remains unable to identify sufficient funds to make the \$48,000,000 TCRP allocation no later than June 30, 2011, LACMTA will provide alternate funding of \$48,000,000 beginning on July 1, 2011. LACMTA will use the \$48,000,000 in alternate funds immediately beginning July 1, 2011, deferring further draw-downs against the CMIA funds until the \$48,000,000 is exhausted.

Attachments

**CORRIDOR MOBILITY IMPROVEMENT ACCOUNT**

**Project Fact Sheet**

**Lead Agency: CALTRANS / METRO**

**Fact Sheet Date: 09/05/08**

Contact Person	Edward Andrao (Caltrans) / K. N. Murty (Metro)		
Phone Number	213-897-7722 / 213-922-3084	Fax Number	213-897-4611 (Caltrans) 213-922-7382 (Metro)
Email Address	<a href="mailto:Edward.Andrao@dot.ca.gov">Edward.Andrao@dot.ca.gov</a> (Caltrans) ; <a href="mailto:MurthyK@Metro.Net">MurthyK@Metro.Net</a>		

**Project Information:**

County	Caltrans District	PPNO *	EA *	Region/MPO/ TIP ID*	Route / Corridor *	Post Mile Back *	Post Mile Ahead *
Los Angeles	7	0851G	120300	LAOB408	405	28.8	39

\* NOTE: PPNO & EA assigned by Caltrans. Region/MPO/TIP ID assigned by RTPA/MPO. Route/Corridor & Post Mile Back/Ahead used for State Highway System.

Legislative Districts	Senate: 23,28	Congressional: 27,28,30,26
	Assembly: 41,42,47,53	
Implementing Agency (by component)	E&P (PA&ED): CALTRANS	PE/DS: CALTRANS
	R/W: CALTRANS	CON-D/B: METRO

**Project Title** | **I-405 Carpool Lane I-10 to US101 (Northbound)**

**Location - Project Limits - Description and Scope of Work** (Provide a project location map on a separate sheet and attach to this form)  
 Los Angeles - From I - 10 to US 101 - Construct one HOV lane Northbound on Interstate 405 from I - 10 to US 101. Construct one HOV lane Northbound on interstate 405 from I - 10 to US 101. This project is utilizing landmark Design-Build legislation that will allow Metro to optimize the construction schedule of this critical carpool lane gap closure project and award the contract by April 2009. The design-build process is different from design-bid-build processes in that allows the project to be designed simultaneously with right of way acquisition, materials procurement, certifications and construction. This ensures that just-in-time techniques are maximized saving time write critical components are deployed in their fastest possible timeframe.

**Description of Major Project Benefits**

Daily Vehicle Hours of Delay Saved *	22,929	Hrs.
Daily Peak Person-Minutes Saved *	1,673,840	Min.
Other: Route 405 serves commuters in San Fernando Valley to major urban centers or Los Angeles and Santa Monica, as well as Los Angeles international Airport. This section of Route 405 is heavily congested with Average Daily Traffic (ADT) of 331.000 Existing traffic in the project area is mostly stop and go throughout the day. * "Per Caltrans Daily Vehicle Hours of Delay Saved" are average savings over a 20-year forecast period.		

Corridor System Management Plan	Month/Year
Lead Agency:	CALTRANS
Plan Adoption Date:	1-Jun-09
Plan Implementation Date:	2-Jul-09

**Expected Source(s) of Additional Funding if the Current Funding Plan Proves Insufficient**  
 Caltrans District 7 will actively monitor project development and will reevaluate the project in the event that cost and/or delivery dates change. If the estimated cost for a project increases or it a project fails to meet a project delivery milestone, Caltrans District 7 will report to Metro and develop a plan to bring the project within cost and schedule or to revise the project's funding plan and schedule with the Commission's approval. If necessary, the Metro Board of Directors will consider additional funding for the project if its new cost and schedule remain cost effective. Caltrans and Metro's intent is to see that the project proceeds to construction completion.

Project Delivery Baseline (Milestones)	Existing Month/Year	Proposed Month/Year
Begin Environmental Phase (PA&ED)	Jul-2001	NC
Draft Environmental Document Milestone	Document Type: EIS/EIR	Jan-2007
Draft Project Report Milestone	Dec-2001	NC
End Environmental Phase (PA&ED Milestone)	Jul-2007	Feb-2008
Begin Preliminary Engineering/Design Support Phase	(Design-build approach)	Jan-2007
End Preliminary Engineering/Design Support Phase	(Design-build approach)	May-2011
Begin Right-of-Way Phase	Jan-2008	Aug-2008
End Right-of-Way Phase	Mar-2011	Jun-2011
Begin Design/Build Construction Phase	(Design-build approach)	Apr-2009
End Design/Build Construction Phase (Open to Traffic) (Excludes Landscaping)	(Design-build approach)	Apr-2013
Begin Closeout Phase	Dec-2013	Dec-2014
End Closeout Phase (Closeout Report)	(Includes Landscaping)	Dec-2014

NOTE: The CTC Corridor Mobility Improvement Account (CMIA) Program Guidelines should have been read and understood prior to preparation of the CMIA Fact Sheet. The CTC CMIA Guidelines and a template of this Project Fact Sheet are available at: <http://www.dot.ca.gov/hq/transprog/> and at: <http://www.catc.ca.gov/>

**PROJECT PROGRAMMING REQUEST**

DTP-0001 (REV. 3/08)

Date: 08/27/08

County	CT District	PPNO	TCRP Project No.	EA
LA	7	0851G	39	120300
<b>Project Title:</b> Route 405 Carpool Lane I-10 to US 101(Northbound)				

Existing Total Project Cost									Implementing Agency
Component	Prior	08/09	09/10	10/11	11/12	12/13	13/14+	Total	
E&P (PA&ED)	15,000							15,000	Caltrans
P E / DS	60,000							60,000	Caltrans
R/W SUP (CT)	15,000							15,000	
CON SUP (CT)		28,000						28,000	
R/W	82,000							82,000	Caltrans
CON - D/B		750,000						750,000	LACMTA
<b>TOTAL</b>	<b>172,000</b>	<b>778,000</b>						<b>950,000</b>	

Proposed Total Project Cost									Implementing Agency
Component	Prior	08/09	09/10	10/11	11/12	12/13	13/14+	Total	
E&P (PA&ED)	22,000							22,000	
P E / DS	39,000							39,000	
R/W SUP (CT)	15,000							15,000	
CON SUP (CT)									
R/W	82,000							82,000	
CON - D/B		792,000						792,000	
<b>TOTAL</b>	<b>158,000</b>	<b>792,000</b>						<b>950,000</b>	

<b>Fund No. 1:</b>	<b>State Bond - Corridor Mobility Program (CMIA)</b>								<b>Program Code</b>
<b>Existing Funding</b>									20.XX.721.000
Component	Prior	08/09	09/10	10/11	11/12	12/13	13/14+	Total	Funding Agency
E&P (PA&ED)									Caltrans
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B		730,000						730,000	
<b>TOTAL</b>		<b>730,000</b>						<b>730,000</b>	
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)									
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B		730,000						730,000	
<b>TOTAL</b>		<b>730,000</b>						<b>730,000</b>	

<b>Fund No. 2:</b>	<b>TCRP (Committed) - Traffic Congestion Relief Fund (TCRF)</b>								<b>Program Code</b>
<b>Existing Funding</b>									20.XX.710.870
Component	Prior	08/09	09/10	10/11	11/12	12/13	13/14+	Total	Funding Agency
E&P (PA&ED)	15,000							15,000	Caltrans
P E / DS	27,000							27,000	\$27,000 PS&E voted 07/26/07
R/W SUP (CT)									
CON SUP (CT)		28,000						28,000	
R/W									
CON - D/B		20,000						20,000	
<b>TOTAL</b>	<b>42,000</b>	<b>48,000</b>						<b>90,000</b>	
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)	22,000							22,000	Move \$7,000,000 from PS&E to PA&ED; move \$14,000,000 from PS&E (Caltrans) to CON-D/B (Metro) (Fund No. 3).
P E / DS	6,000							6,000	
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B									
<b>TOTAL</b>	<b>28,000</b>							<b>28,000</b>	

Note: Project components have been reflected in the fund sheets for a particular dollar amount in a particular fiscal year, corresponding to the fiscal year when the component implementation is to begin. Actual cash flow needs are substantially different.

**PROJECT PROGRAMMING REQUEST**

DTP-0001 (REV. 3/08)

Date: 08/27/08

<b>County</b>	<b>CT District</b>	<b>PPNO</b>	<b>TCRP Project No.</b>	<b>EA</b>
LA	7	0851G	39	120300
<b>Project Title:</b> Route 405 Carpool Lane I-10 to US 101(Northbound)				

<b>Fund No. 3:</b>	<b>TCRP (Committed) - Traffic Congestion Relief Fund (TCRF)</b>								<b>Program Code</b>
<b>Existing Funding</b>									20.XX.710.870
<b>Component</b>	<b>Prior</b>	<b>08/09</b>	<b>09/10</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14+</b>	<b>Total</b>	<b>Funding Agency</b>
E&P (PA&ED)									LACMTA
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B									
<b>TOTAL</b>									
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)									
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B		14,000						14,000	
<b>TOTAL</b>		14,000						14,000	

<b>Fund No. 4:</b>	<b>TCRP - Traffic Congestion Relief Fund (TCRF)</b>								<b>Program Code</b>
<b>Existing Funding</b>									20.XX.710.870
<b>Component</b>	<b>Prior</b>	<b>08/09</b>	<b>09/10</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14+</b>	<b>Total</b>	<b>Funding Agency</b>
E&P (PA&ED)									LACMTA
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B									
<b>TOTAL</b>									
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)									
P E / DS									
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B		48,000						48,000	
<b>TOTAL</b>		48,000						48,000	

<b>Fund No. 5:</b>	<b>SAFETEA LU (actual amount anticipated)</b>								<b>Program Code</b>
<b>Existing Funding</b>									20.30.010.680
<b>Component</b>	<b>Prior</b>	<b>08/09</b>	<b>09/10</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14+</b>	<b>Total</b>	<b>Funding Agency</b>
E&P (PA&ED)									Caltrans
P E / DS	20,000							20,000	
R/W SUP (CT)	15,000							15,000	
CON SUP (CT)									
R/W	82,000							82,000	
CON - D/B									
<b>TOTAL</b>	117,000							117,000	
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)									This is 90% of the Congressional Authorization, actual amounts may differ based upon annual Obligation Authority levels.
P E / DS	20,000							20,000	
R/W SUP (CT)	15,000							15,000	
CON SUP (CT)									
R/W	82,000							82,000	
CON - D/B									
<b>TOTAL</b>	117,000							117,000	

Note: Project components have been reflected in the fund sheets for a particular dollar amount in a particular fiscal year, corresponding to the fiscal year when the component implementation is to begin. Actual cash flow needs are substantially different. RESOLUTION CMIA-PA-0809-003

**PROJECT PROGRAMMING REQUEST**

DTP-0001 (REV. 3/08)

Date: 08/27/08

County	CT District	PPNO	TCRP Project No.	EA
LA	7	0851G	39	120300
<b>Project Title:</b> Route 405 Carpool Lane I-10 to US 101(Northbound)				

Fund No. 6:		Local Fund, LA Metro (Flexible Federal Funds, Sales Taxes, SLTPP or RIP)							Program Code
<b>Existing Funding</b>									LOCAL FUNDS
Component	Prior	08/09	09/10	10/11	11/12	12/13	13/14+	Total	Funding Agency
E&P (PA&ED)									LACMTA
P E / DS	13,000							13,000	
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B									
<b>TOTAL</b>	<b>13,000</b>							<b>13,000</b>	
<b>Proposed Funding</b>									<b>Notes</b>
E&P (PA&ED)									
P E / DS	13,000							13,000	
R/W SUP (CT)									
CON SUP (CT)									
R/W									
CON - D/B									
<b>TOTAL</b>	<b>13,000</b>							<b>13,000</b>	

Note: Project components have been reflected in the fund sheets for a particular dollar amount in a particular fiscal year, corresponding to the fiscal year when the component implementation is to begin. Actual cash flow needs are substantially different.



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

**Roger Snoble**  
*Chief Executive Officer*  
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metro.net

August 28, 2008

Mr. John Barna  
Executive Director  
California Transportation Commission  
1120 'N' Street  
Sacramento, CA 95814

Attn: Andre Boutros

**CTC FUNDING FOR I-405 NB HOV LANE FROM INTERSTATE 10 TO US 101**

Dear Mr. Barna:

Thank you for your assistance with the funding strategy of the Interstate 405 North Bound (NB) High Occupancy Vehicle (HOV) Lane from Interstate 10 to US 101. By working together, we can better meet the funding challenges presented by the shortfall in the Traffic Congestion Relief Program, including a \$48 million state commitment that is not now available for the I-405 project. Yesterday, Los Angeles County Metropolitan Transportation Authority (LACMTA) staff met with Caltrans and California Transportation Commission (CTC) staff. The staff present at the meeting determined that the documentation leading to approval of your very helpful funding strategy must include a letter from LACMTA stipulating our planned commitments and our understanding of the strategy.

Under the previous plan outlined in our letter from Frank Flores dated August 25, 2008, LACMTA and the CTC would approve a TCRP Letter of No Prejudice (LONP) on September 25, 2008, thereby permitting the project to be advertised for bid. According to the proposed strategy, the CTC will now instead defer our allocation request for the \$48 million TCRP grant due to a lack of funds. The deferred TCRP allocation status will continue to as late as June 30, 2011, while at the same time permitting LACMTA to advertise the project by allocating \$730 million in Corridor Mobility Improvement Account (CMIA) funds based on the LACMTA Board of Directors' September 25, 2008 approval of \$48 million in funds under the control of LACMTA for the construction cost of the project in the event the \$48 million in TCRP funds are unallocable.

Under the proposed strategy, if the CTC remains unable to identify sufficient funds to make the \$48 million TCRP allocation no later than June 30, 2011, we understand that it must commit to providing alternate funding of \$48 million beginning on July 1, 2011. If the CTC is able to allocate the TCRP funds prior to June 30, 2011, the CTC's deferred allocation status will enable LACMTA to add those funds back into the project budget without prejudice after the point of contract award.

In June of 2011, we will return to the CTC for the originally contemplated TCRP LONP for use in the event that the TCRP funds subsequently become available after the project is open to the public. In consideration of the disproportionate commitment of CMIA funds for the project, we understand that this strategy requires LACMTA to agree to use \$48 million in alternate funds immediately beginning July 1, 2011, deferring further draw-downs against the CMIA funds until the \$48 million is exhausted.

On September 25, 2008, I will recommend that our Board of Directors approve, through a Board Resolution, a \$48 million funding commitment to this project consistent with the terms outlined in this letter. Enclosed with this letter are five signed copies of LACMTA's revised CMIA Project Scope, Cost, Schedule, and Benefit Baseline Data for CTC and Caltrans approval.

Thank you for your support of this important project. Please call me at (213) 922-6888 should you have any questions about our participation in the funding strategy.

Sincerely,



Roger Snoble  
Chief Executive Officer

Enclosure