



**BRIEFING: MARCH 15, 2017 BOARD MEETING AGENDA ITEM #2**

**TO: Chairman Richard and Board Members**

**FROM: Michelle Boehm, Southern California Regional Director**

**DATE: March 15, 2017**

**RE: Consider Amending the Contract with the Los Angeles County Metropolitan Transportation Authority to Share Project Development Costs for the Integration of High-Speed Rail at Los Angeles Union Station**

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**Summary of Requested Action**

California High-Speed Rail Authority (Authority) staff is recommending that the Board direct staff to negotiate and execute a contract amendment with Los Angeles County Metropolitan Transportation Authority (Metro) to contribute a proportional share of the project development costs for the integration of high-speed rail at Los Angeles Union Station (LAUS). The amendment will increase the maximum amount of the Authority's contribution to the Metro Link Union Station (Link US) project from \$15,000,000 to \$18,726,102. The negotiation and execution of this contract amendment is contingent upon Metro Board approval of Link US Alternative 1 and the Link US contract modification with HDR Engineering, Inc. for additional project development services.

**Background**

At its February 2016 meeting, the Authority Board directed staff to negotiate and execute a contract with Metro to contribute project development costs for the integration of high-speed rail at Los Angeles Union Station up to a maximum of \$15,000,000. The Authority executed this contract in May 2016.

At the February 2016 meeting, staff also provided a briefing to the Board regarding the integration of high-speed rail at LAUS, located in downtown Los Angeles and owned by Metro. The successful integration of high-speed rail with LAUS is essential given the importance of LAUS as one of the major regional gateways and transfer points in Southern California, offering connections for high-speed rail, Metro bus and rail service, Metrolink and Amtrak passenger rail service, other connecting local transit services, and multimodal travel options. Bringing high-speed rail directly to LAUS will provide cost savings, enhance passenger connectivity, and facilitate rail integration benefits for all services using the station including high-speed rail.

Metro is currently advancing work on the Link US project, the consensus top priority project on the Southern California Memorandum of Understanding (MOU) project list approved by the

Authority Board and regional transportation providers in April 2012. The Link US project, previously named the Southern California Regional Interconnector Project (SCRIP), will dramatically improve regional and commuter rail services by eliminating existing bottlenecks at LAUS so train service can “run through” the station rather than head in and back out through a single entrance. To achieve this, Link US will elevate the rail yard and extend “run-through” tracks over the US 101 Freeway. Link US will also make improvements to the passenger concourse area, including expanded passenger waiting areas, new retail amenities, and enhanced vertical circulation. The Link US project is an important investment for the region, and will have the following benefits:

- Increase rail service capacity at LAUS by 40% to 50% to accommodate future demands.
- Reduce train idling times from 20 to 30 minutes to under 10 minutes, resulting in shortened passenger wait times and reduced greenhouse gas emissions.
- Prepare LAUS for the introduction of future high-speed rail service, with a sufficient number of high-speed rail platforms and run-through tracks.
- Improve transit connectivity for commuter and intercity rail services, heavy and light rail services, bus and shuttle services, and future high-speed rail service.
- Improve pedestrian access and functionality of the platforms and enhance the passenger experience with a new concourse and retail amenities.
- Make LAUS a world class transit station for visitors, tourists, and residents.

Additionally, the Link US project aligns with other Southern California early investments, including the Rosecrans/Marquardt Grade Separation, to improve the efficiency of the existing Southern California rail network while paving the way for high-speed rail.

The \$15,000,000 amount approved by the Board was determined by Authority and Metro staff at that time to be an appropriate proportional share of the project development costs associated with planning, design, and environmental clearance to fully integrate high-speed rail into the Link US project.

Since the execution of this contract agreement, Metro has made significant progress with Link US project development and have coordinated closely with the Authority during this time. Work conducted by Metro includes baseline analysis, alternatives evaluation and refinement, environmental studies, and preliminary engineering for an elevated rail yard, high-speed rail and regional rail run-through tracks, and an expanded multi-modal passenger concourse. Metro staff, working closely with Authority staff, has developed the improvements to platforms, tracks, and other infrastructure needed to modernize the LAUS facility so it can fully accommodate high-speed rail, in addition to projected increases in regional rail and local transit services.

### **Prior Board Action**

On February 16, 2016, the Authority Board approved Resolution #HSRA 16-03 which directed staff to negotiate and execute a contract with Metro to share project development costs for the integration of high-speed rail at Los Angeles Union Station, up to a maximum of \$15,000,000.

## Discussion

The Authority's participation in the Link US project, as approved by the Board in February 2016, will bring high-speed rail service to the major transportation hub in downtown Los Angeles and provide direct connectivity with numerous regional and local transportation services. Additionally, the Authority has achieved economies of scope through an overall net reduction in the level of effort required to complete high-speed rail environmental analysis and preliminary engineering work in Southern California.

Over the past several months, Metro has coordinated closely with Authority staff and has fully integrated high-speed rail into its Link US project development work. This includes conducting alternatives evaluation, environmental studies, and preliminary engineering associated with high-speed rail platforms, tracks, and other infrastructure. Metro is completing an administrative draft of the Link US EIR/EIS, as well as draft 10% conceptual preliminary engineering drawings.

In March 2017, Metro staff will request the Metro Board of Directors to approve Link US Alternative 1, with six regional rail run-through tracks and four high-speed rail run-through tracks, to be carried forward in the Link US Draft Environmental Impact Report / Draft Environmental Impact Statement (DEIR/DEIS). With this alternative, two platforms and four tracks at LAUS would be dedicated to high-speed rail service. The four high-speed rail run-through tracks would proceed south from LAUS to Anaheim, extending over the US 101 freeway on a single structure with the six regional rail run-through tracks.

The Metro Board will be requested to authorize the Metro Chief Executive Officer (CEO) to execute a contract modification with HDR Engineering, Inc., the contractor conducting the Link US project development work, in the amount of \$13,761,273. The scope of work in the contract modification includes environmental and engineering services to connect the Link US project with Patsaouras Transit Plaza to the east and the historic Union Station building to the west, advance design of elements of the rail structure over the US 101 freeway from 35% to 100%, and incorporate shortened high-speed rail platforms into technical studies and environmental documents. The Metro Board will also be requested to authorize the Metro CEO to execute a funding agreement with the Authority in the amount of \$3,726,102 for project development work pertaining to high-speed rail that is included in the Link US contract modification.

Authority staff have reviewed documentation provided by Metro pertaining to the Link US contract modification and have confirmed that Metro's request for the Authority to provide additional funding of \$3,726,102 for project development represents an appropriate proportional share of the total Link US contract modification, based on the level of effort that pertains directly to incorporating high-speed rail. The contract amendment reflects changes to the scope since May 2016 and will allow for additional engineering efforts to be advanced concurrently with the original scope.

This scope amendment will reduce risk of a potential schedule delay related to approvals of a structure over the US 101 freeway. Such a delay could result in an increase in project capital cost of five percent or greater. This investment in advancing design reduces schedule and accompanying budget risk.

**Legal Approval**

The Authority Chief Counsel’s office approves the requested contract amendment and affirms the Authority’s ability to do so under regulations, policies and procedures, as well as applicable state law.



**Budget Implications**

This request is for an additional \$3.7M to be added to the existing contract with Metro to update ongoing plans to accommodate high-speed rail at LAUS. These additional funds have been accounted for in the 2016 Business Plan and are included in the budget. Authority staff is not requesting new funds outside of the budget.

Contract	Existing Amount	Requested Amount	Total Amount	Contract Term
HSR15-170	15,000,000	3,726,102	18,726,102	4/1/2019

**Recommendations**

Authority staff recommends that the Board direct staff to negotiate and execute a contract amendment with Metro to contribute project development costs for the integration of high-speed rail at Los Angeles Union Station for a proportional share of project development costs. The amendment will increase the maximum amount of the Authority’s contribution to the Metro Link US project from \$15,000,000 to \$18,726,102. The negotiation and execution of this contract amendment is contingent upon approval by the Metro Board of Link US Alternative 1 and the Link US contract modification with HDR Engineering, Inc. for additional project development services.

REVIEWER INFORMATION	
Reviewer Name and Title: <b>Russell Fong, CFO</b>	Signature verifying review and approval: 
Reviewer Name and Title: <b>Tom Fellenz, Chief Counsel</b>	Signature verifying review and approval: 

**Attachments**

- Draft Resolution #HSRA 17-08
- Resolution #HSRA 16-03 (approved by Board on February 16, 2016)
- Contract Agreement for Link US professional services, made between the Authority and Metro (executed in May 2016)