

**Metro**Los Angeles County  
Metropolitan Transportation AuthorityOne Gateway Plaza  
Los Angeles, CA 90012-2952213.922.2000 Tel  
metro.net**CONSTRUCTION COMMITTEE  
MARCH 19, 2015****SUBJECT: FACILITY IMPROVEMENT PROJECTS AT METRO BUS DIVISIONS****ACTION: APPROVE RECOMMENDATION****RECOMMENDATION**

Approve a Life of Project (LOP) Budget for Facility Improvement Projects at Metro Bus Divisions in the amount of \$21,650,000.

**ISSUE**

The last two fiscal years, capital funding has not been available for new capital projects intended to fund deferred maintenance and improvements at Metro Bus Operating Divisions. The budget of two previously approved capital projects, CP 202306 and CP 202320, for bus division improvement projects, has been committed and should be exhausted by mid FY16 based on the current obligations.

**DISCUSSION**

The purpose of this Deferred Maintenance and Improvements Project is to improve, modernize, and expand the capabilities of the maintenance and transportation functions of Metro Bus Operating Divisions.

- Division 1 (Central City), 1130 East 6<sup>th</sup> Street, Los Angeles
- Division 2, (Crossroads Depot), 720 E. 15<sup>th</sup> Street, Los Angeles
- Division 3 (Cypress Park), 630 W. Avenue 28, Los Angeles
- Division 5 (Arthur Winston Division), 2300 W. 54<sup>th</sup> Street, Los Angeles
- Division 8 (West Valley), 9101 Canoga Avenue, Chatsworth
- Division 9 (El Monte), 3449 Santa Anita Avenue, El Monte
- Division 10 (Gateway Division), 742 North Mission Street, Los Angeles

- Division 15 (East Valley) 11900 Branford Street, Sun Valley
- Division 18 (South Bay Division), 450 West Griffith Street, Carson

The scope of the project is to address renovations and upgrade activities typically required of facilities that are over thirty years old and functioning at operating levels beyond their initial designs. The proposed improvements will increase the life of these facilities a minimum of 25 years. The two most recently approved capital projects to fund these types of activities were Project 202306 and Project 202320. Project 202306 was adopted in May 2011 with an LOP budget of \$21,231,000 as part of the FY12 budget and Project 202320 was adopted in May 2012 with an LOP budget of \$20,896,000 as part of the FY13 budget. The LOP budget of these two projects has been committed, leaving staff without funding to address new concerns.

This budget for deferred maintenance and improvements is also the primary funding source for addressing Engineering Service Requests (ESRs) originating from the divisions. These requests are mainly unplanned and unfunded facility needs that require immediate attention. Engineering and Construction's Facilities Engineering group receives approximately two of these requests per month. For example, the group received 28 ESRs in 2012, 20 in 2013, and 39 in 2014.

The scope of the work at each division will differ significantly due to site-specific constraints, age of the improvements, and the current condition of the improvements. Nonetheless, the scope will likely include, but is not limited to the following:

- Vacuum replacement/upgrades at Divisions 9 and 10
- Bus washer replacement at Divisions 2 and 10
- Floor coating installation/upgrade at Divisions 3, 5, 10, and 15
- Hoist replacement at Divisions 3, 8, 9 and 15
- Roof replacements at Division 2, and Division 3 and Division 9 Maintenance Buildings
- Maintenance Building Elevator Interior Upgrade at Divisions 1 and 3

Any remaining budget after the completion of these projects would go towards other deferred maintenance and improvements identified during design work, site evaluations, and ESRs, including requests for lighting and security upgrades; and piping, plumbing, and HVAC improvements.

## **DETERMINATION OF SAFETY IMPACT**

This Board action will not have an impact on established safety standards.

## **FINANCIAL IMPACT**

Since this is a multi-year project, the Project Manager, Cost Center Manager, and Executive Director, Engineering and Construction will be responsible for budgeting the cost in future fiscal years. The funding and expenditure plan is included as Attachment A.

### **Impact to Budget**

If approved, the funding will be added to the FY16 Capital Program budget request which will be presented to the Board in May 2015. FY16 funding of \$1,421,750 will be used primarily for design work. FY17-FY19 will be used for construction. The funding source for the action in Recommendation A consists of TDA Article 4 funds. These funds are an eligible source for bus and rail operations.

## **ALTERNATIVES CONSIDERED**

The Board may choose to not authorize this project and LOP Budget. This alternative is not recommended. The rejection of the LOP would prohibit staff from proceeding with much needed deferred maintenance and improvements at the bus operating divisions and result in service impacts that could impact patrons. There will also be escalating maintenance costs associated with the deteriorating equipment many of which has reached or exceeded their work-life expectancy.


## **NEXT STEPS**

Upon approval, staff will prioritize projects, and begin activities to design and develop the specifications to proceed with the improvements identified above. Design work will take place within FY16 and construction will start in FY17 and proceed through FY19.

**ATTACHMENTS**

- A. Funding/Expenditure Plan

Prepared by: Tim Lindholm, Executive Officer, (213.922-7297)

  
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Bryan Pennington  
Executive Director, Engineering and Construction

  
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Arthur T. Leahy  
Chief Executive Officer

FUNDING/EXPENDITURE PLAN

Project No. TBD – Deferred Maintenance and Improvements

Use of Funds	Remaining FY15	FY16	FY17	FY18	FY19	Capital Costs Total	% of Total
Administration and Agency Costs	15,000	50,000	350,000	350,000	250,000	1,015,000	4.7%
In-house Design and Development of Specifications	75,000	500,000	500,000	500,000	225,000	1,800,000	8.3%
Advertising		2,500	2,500	2,500	2,500	10,000	0.05%
Construction/Rehab/Renovation Contracts		500,000	5,000,000	5,000,000	5,000,000	15,500,000	71.6%
Professional Services: Construction Management, Design Support, Environmental		200,000	200,000	200,000	200,000	800,000	3.7%
Third Party/MOUs with City of LA		-	75,000	75,000	75,000	225,000	1.0%
Facilities Maintenance (FM) Labor		5,000	50,000	50,000	50,000	155,000	0.7%
DEOD/Labor Compliance		35,000	50,000	50,000	50,000	185,000	0.9%
Project Contingency		129,250	622,750	622,750	585,250	1,960,000	9.1%
<b>Total Project Cost</b>	<b>90,000</b>	<b>1,421,750</b>	<b>6,850,250</b>	<b>6,850,250</b>	<b>6,437,750</b>	<b>21,650,000</b>	<b>100.0%</b>
Source of Funds	Remaining FY15	FY16	FY17	FY18	FY19	Capital Costs Total	% of Total
TDA Article 4	90,000	1,421,750	6,850,250	6,850,250	6,437,750	21,650,000	100.0%
<b>Total Project Funding</b>	<b>90,000</b>						