



## Board Update

One Manchester Boulevard  
Inglewood CA 90301

**TO: Inglewood Transit Connector Joint Powers Authority Board Members**  
**FROM: Louis Atwell, Chief Executive Officer**  
**RE: June 2024 Project Update**

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The following summarizes recent progress and future milestones associated with advancing the Inglewood Transit Connector Project (ITC or Project).

### **PROJECT DEVELOPMENT WITH FTA**

Since the Project received approval to enter into the Engineering phase of the Federal Transit Administration's (FTA) Capital Investment Grant (CIG) Program in late December 2023, the Project team continues to take all necessary steps to complete the FTA's rigorous project evaluation process in order to achieve a Full Funding Grant Agreement (FFGA). This includes:

- Submitting all updated readiness documents, including but not limited to the Program Management Plan, Risk Contingency Management Plan, Cost Estimate, Schedule, Communications Plan, Real Estate Management Plan, and RFP addendums on March 1, 2024.
- Submitting updated Financial and Land Use Plans on April 18, 2024.
- Hosting an in-person Risk Refresh meeting on May 21 and May 22, 2024, which allowed FTA and their Project Management Oversight Consultants to engage the Project team on the anticipated cost, schedule and risk factors associated with the Project.

After the procurement process is complete, the Project team will submit an updated Financial Plan. The FTA is then anticipated to finalize their analysis and recommendations in preparation of an FFGA.

### **PROCUREMENT**

The Final Request for Proposals (RFP) to Design-Build-Finance-Operate-Maintain (DBFOM) the ITC was issued on November 17, 2023, and the bid submittal date was May 31, 2024.

The ITC team is currently conducting the evaluation process. The evaluation team is comprised of representatives from the City of Inglewood (City), Metro, and external subject matter experts. Technical and financial analyses are being conducted to provide findings and recommendations to a Scoring Panel. A Supervisory Panel will ensure the sufficiency, transparency, and objectivity of the review process. Upon the completion of findings and recommendations by the technical and financial evaluators, the Scoring Committee will

determine and finalize the scoring. The selected developer will be recommended to the JPA Board after negotiations to finalize contract terms. The Inglewood City Council will be responsible for awarding the contract in late Summer or early Fall 2024.

Please note that the City and JPA remain in a blackout period as the procurement process is underway.

## **REAL ESTATE**

The City continues to perform right-of-way analysis and planning work for the acquisition and relocation program for the ITC Project. The City has updated the real estate appraisals that were completed in 2023 for the parcels needed for the Market Street Station, the Hardy Street Station, and the guideway on the west side of Prairie approaching the Hardy Street Station. The City is completing appraisals of the easements for the east side of Prairie abutting Hollywood Park and the Kia Forum.

The City will begin sharing appraisal information with the FTA in June, and will seek FTA and City approval prior to making any offers. It is anticipated that offers to property owners will be made after the DBFOM procurement process is completed.

The Project team is also making preparations for the City to transfer legal authority to the JPA to construct and operate the ITC on the City-acquired property. This will likely be facilitated through a legal agreement between the City and JPA that initially authorizes the transfer of possessory interest of property, as parcels come under the City's control, with easements being executed at a later date.

## **FUNDING**

The approval of the FTA to enter into the Engineering phase indicates the federal government's intent to invest \$1,009,430,998 in federal funds towards the design and construction of the Project. With this commitment, the City has secured a total of \$1.9 billion in local, State and federal funding of the \$2.25 billion anticipated to be required to fully fund the base project budget (estimated at \$2.05 billion) and backstop budget (required to be 10% of FFGA base project budget, or \$200 million).

The team continues to engage partners, including the South Bay Cities Council of Governments, Metro, the County of Los Angeles, and the Southern California Association of Governments, to pursue funding strategies to address the estimated \$340 million project gap.

It is anticipated that the Project Team will request that these partners consider programming funds for the base project budget and backstop budget after completion of the procurement process.

### **THIRD PARTY AGREEMENTS**

Following preliminary design of the ITC, the Project Team identified segments of the Project alignment where modifications and/or relocations of existing utility facilities are required. Many Utility Owners are subject to franchise agreements with the City, which require them to move their facilities at the direction of the City. Although there has been disagreement specifically regarding SCE and Verizon's franchise obligations based on recent legal proceedings, the City and Project are confident that a pending case will be resolved in its favor. Notwithstanding these legal conditions, the Project conservatively budgeted for these costs within the overall Project budget.

The following summarizes the status of the necessary relocation agreements:

- Los Angeles County Sanitation District sewer facilities (approved in September 2023)
- Southern California Gas Company facilities (approved in November 2023)
- Crown Castle telecommunication facilities (approved in April 2023)
- Protection in place of Los Angeles Department of Water and Power facilities (notification provided and agreed to in March 2024)
- Spectrum communication facilities (approved in May 2024)
- Los Angeles County Flood Control District facilities (approved in May 2024)
- Southern California Edison electricity facilities, and a separate Will Serve Letter indicating that electricity will be available to the Project. (approved and executed, respectively, in May 2024)
- West Basin Municipal Water District facilities (approved by the City Council in May 2024 and will be considered by the West Basin Board in June 2024)
- Verizon telecommunications facilities (Letter of Intent received in June 2024, acknowledging Verizon's willingness to relocate its telecommunications facilities and coordinate with other utilities and the Project Developer).

With these agreements in hand, the Project has established the parameters for coordination with Third Parties in the right-of-way which will allow facility relocations to take place prior to or upon the Developer's completion of the initial Project design.

### **EARLY WORKS ACTIVITIES AND UTILITY RELOCATIONS**

On February 27, 2024, the Inglewood City Council authorized a contract for relocation of the water line on Prairie Avenue with J.A. Salazar Construction & Supply Corporation for a total amount not to exceed \$6,538,125. The Water Main Replacement Project is taking place on Prairie Avenue between Manchester Boulevard and Hardy Street; and Pincay Drive between Prairie Avenue and Stadium Drive to relocate existing water mains that intersect with the ITC alignment. The project will modernize the infrastructure, as most lines have been in service for 60-80 years, supporting the long-term sustainability of the water main for future use.

Construction began the first week in April and is anticipated to continue through the Fall. So far, the work has proceeded on budget and ahead of schedule. The team is coordinating closely with neighboring stakeholders including the entertainment venues and Inglewood Unified School District to ensure they are informed of construction activities and traffic restrictions.

## **OPERATIONALIZATION OF THE JOINT POWERS AUTHORITY**

In order to facilitate a smooth transition between the City and the JPA of all responsibilities and obligations associated with the Project, consistent with the Governance Transition Plan and CIG requirements, the team continues to make updates to the staffing plan and is preparing to recruit critical leadership positions, including vetting potential retirement and benefit contribution packages.

The team is preparing policies and procedures that will facilitate the JPA's ability to carry out its essential functions in regard to fiscal management, project controls, administration, human resources, quality control, and project delivery. This will ensure that the JPA functions in a manner that satisfies the JPA's responsibilities and obligations which are identified in relevant documents, including the Joint Exercise of Powers Agreement, Master Cooperative Agreements, JPA by-laws, and the expected terms of the DBFOM contract, among others.

As appropriate, workflows are being developed that identify organizational responsibilities for certain activities consistent with policy implementation. These workflows are being implemented by the Project Management Information System (PMIS) to automate execution of responsibilities, with a workplan that has core functions in place prior to the first Notice to Proceed being issued to the DBFOM developer.

In addition, the team is developing specific staffing plans, policies, and procedures in order to assume the role of permitting agency over the stations, maintenance and storage facility, and guideway components of the Project.

## **COMMUNITY ENGAGEMENT**

A dedicated website, [www.inglewoodtransitconnector.com](http://www.inglewoodtransitconnector.com), has been launched which provides robust information about the project and the Joint Powers Authority.

The Project continues outreach with the community at large and anticipates providing information about the project at the upcoming Inglewood Music Festival, which will take place on June 28<sup>th</sup> at Darby Park.