



September 29, 1995

Los Angeles County
Metropolitan
Transportation
Authority

818 West Seventh Street
Suite 300
Los Angeles, CA 90017

213.623.1194

TO: MTA BOARD OF DIRECTORS

THROUGH: FRANKLIN E. WHITE

FROM: LINDA BOHLINGER
ARTHUR T. LEAHY
STANLEY G. PHERNAMBUCQ

L.B.
Arthur T. Leahy
Stanley G. Phernambucq

**SUBJECT: STATUS REPORT ON COST CONTAINMENT
EFFORTS**

ISSUE

Status of Staff actions implementing Cost Containment Recommendations approved by the Board of Directors through September, 1995.

BACKGROUND

This report covers the Staff's progress toward implementing Board approved cost containment reductions listed in the July 26 Board Motion. It is the first in a series of informational reports which will be periodically forwarded to the Board to show actions, completed and on-going, in meeting the Board's mandated savings direction.

The list will be amended to reflect future Board directions or staff actions taken in response to Board directions.

MTA COST CONTAINMENT PLAN STATUS REPORT

COST CONTAINMENT RECOMMENDATION	COST SAVINGS (millions)	BOARD APPROVAL DATE	RESPONSIBLE STAFF Lead/Support	DUE DATE	STATUS
Red Line East Side Extension -Reduce depth of Cut/Cover	\$ 15.0	8/95	Sandberg/ De La Loza	Complete	Board approved. Awaiting Design Contracts for implementation.
LA Car -Reduce Car Order from 74 to 52 -Do Not Automate Cars	\$ 30.0 \$ 0.0	8/95	Sievers/Caldwell/Gephart/ Vandedventer	Report on Car Automation Recommendation due 10/95	Awaiting Board Action on Car Automation Recommendation. Brief Boardmembers in October. To Committee in October.
Rail Operating Cost Reductions -Red Line Demand Based Headways -Reduction of Red Line cars per train -Modification of O&M Cost Model -Red Line Staffing Reductions Total Operating Cost Reductions	\$ 120.0 \$ 120.0 \$ 133.0 \$ 25.0 \$ 398.0	8/95	Gephart/Barbagallo		Will be incorporated into Long Range Plan Financial Update. Savings numbers to be updated based on FY 96 Budget data.

MTA COST CONTAINMENT PLAN STATUS REPORT

COST CONTAINMENT RECOMMENDATION	COST SAVINGS (millions)	BOARD APPROVAL DATE	RESPONSIBLE STAFF Lead/Support	DUE DATE	STATUS
Pasadena Blue Line (cont.) -Further Budget Reductions Radio System Contractor Insurance Telephone Subsystem Special Trackwork/Crossovers Facilities (drains, ballasts, trackwork) Midway Yard & Shop Training Start-Up Testing High Rail Vehicles Contingency (Soft Costs) Delete Ornamental Fencing Utilize Communication Based Train Control Total Further Budget Reductions	TBD \$ 0.2 \$ 0.5 TBD \$ 0.5 TBD TBD \$ 0.0 TBD \$ 3.0 TBD \$ 4.2	9/27/95	Sievers/ De La Loza/Vandeventer		Adopted 9/27/95. TBD elements awaiting Operations Peer Review Panel recommendations.

MTA COST CONTAINMENT PLAN STATUS REPORT

COST CONTAINMENT RECOMMENDATION	COST SAVINGS (millions)	BOARD APPROVAL DATE	RESPONSIBLE STAFF Lead/Support	DUE DATE	STATUS
Pasadena Blue Line (cont.)					
-Budget Reserve Recommendations		8/95	Sievers/ De La Loza	10/95	Concept approved in August. Follow-up with October Board report containing proposed Policy/Procedures.
Design Allowance	TBD				
Contingency (Soft Costs)	TBD				
Total Savings from Budget Reserve Recommendations	TBD				
-Policy Options of Design Criteria					
Surveillance Equipment	TBD		Sievers/ De La Loza/Vandeventer	10/95	Awaiting Operations Peer Review Recommendations.
Electrical Substations	\$ 1.0				
Station and Platform Lengths	0.0				
Renegotiate Betterments	TBD				
Total Savings from Policy Options	TBD				
-Potential Policy Scope Changes					
Delete Allen Station	\$ 3.88		Sievers/ De La Loza/Vandeventer	10/95	Pulled from September Board Meeting. Needs to be re-scheduled for October Cost Containment Committee.
Delete Avenue 50 Station	\$ 3.0				
Delete S.W. Museum Station	0.0				
Delete Lake Ave Bridge Widening	\$ 0.81				
Delete Underpinings at Del Mar Station	\$ 7.0				
Eliminate Marmion/Figueroa Grade Separation	0.0				
Modify Subway Box at Marmion/Figueroa	0.0				
Delete Forced Ventilation under Colorado St.	0.0				
Revise Underdrain Design	0.0				
Total Savings from Policy Scope Changes	\$ 14.69				

November

MTA COST CONTAINMENT PLAN STATUS REPORT

COST CONTAINMENT RECOMMENDATION	COST SAVINGS (millions)	BOARD APPROVAL DATE	RESPONSIBLE STAFF Lead/Support	DUE DATE	STATUS
Pasadena Blue Line (cont.) Operations Peer Review Committee Issues Report	TBD		Leahy/Barbagallo	10/95	Report to Operations/Cost Containment Committee(s) with follow-up review by staff. Peer review will also include Turnkey Recommendations.
-Submit Interim Scope, Budget and Schedule	TBD		Scope-Sievers/De La Loza/Barbagallo	11/95	
			Budget-Sievers/De La Loza/Gephart/ West/Woodbury		
			Schedule-Sievers/De La Loza/West		
-Interim Financing Options Consider Third Party Financing for Cash	TBD		Goldsmith/West	11/95	
-Submit Business Plan	TBD		Woodbury/Lantz/ Barbagallo/De La Loza	11/95	

MTA COST CONTAINMENT PLAN STATUS REPORT

COST CONTAINMENT RECOMMENDATION	COST SAVINGS (millions)	BOARD APPROVAL DATE	RESPONSIBLE STAFF Lead/Support	DUE DATE	STATUS
Pasadena Blue Line (cont.) Report on Turnkey Construction to Board Recommendations Acted on By Board	TBD		Sievers/Booz-Allen	11/95	Report to Board in 11/95
-Develop Schedule for Turnkey Design/Build	TBD		Sievers/Booz-Allen		
-Submit Final Scope, Budget and Schedule	TBD		Scope-Sievers/De La Loza/Barbagallo Budget-Sievers/De La Loza/Gephart/ West/Woodbury Schedule-Sievers/De La Loza/West	12/95	Will incorporate Turnkey Recommendations.

10.2.95