



Metro

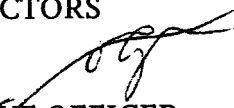
Metropolitan Transportation Authority


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FEBRUARY 11, 2005

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE 
CHIEF EXECUTIVE OFFICER

FROM: RICHARD THORPE 
CHIEF CAPITAL MANAGEMENT OFFICER

SUBJECT: METRO GOLD LINE EASTSIDE EXTENSION
PROJECT BUDGET STATUS REPORT

ISSUE

This report provides the MTA Board of Directors with information on the status of the Metro Gold Line Eastside Extension Project Budget as of December 2004. While the Project Budget remains at the Board approved level of \$898.8 million, there have been some adjustments between the individual elements to reflect the current status of the Project.

DISCUSSION

In June 2004, the MTA received a Full Funding Grant Agreement (FFGA) from the Federal Transit Administration (FTA) that established \$898.8 million as the Original Project FFGA for the Metro Gold Line Eastside Extension. The FFGA budget was based on the estimated costs of scope items that are grouped into major Cost Elements as shown below. Since that time a number of changes have been made to the individual Cost Elements to:

- Reflect the results of the Best and Final Offer (BAFO) process;
- Assign dollars from Project Contingency to individual contracts within the Construction Cost Element to cover an allowance for potential contract modifications; and
- Assign dollars previously allocated for Provisional Sums to the Construction Cost Element based on the award of the C0803 Contract.

The Current Budgets for individual Cost Elements have been revised to reflect the impact of these changes and the reallocation of costs, as shown below. There is no change to the Total Project Budget of \$898.8 million.

Dollars in Thousands

Cost Element	Original FFGA Budget	Current Budget	Change
Construction	\$633,221	\$662,391	\$29,170
Special Conditions	19,494	20,329	835
Right-of-Way	40,358	41,742	1,384
Professional Services	135,304	135,936	632
Project Contingency	60,254	28,249	(32,005)
Project Revenue	(4,617)	(4,633)	(16)
Subtotal	\$884,014	\$884,014	-
Project Finance Cost	14,800	14,800	-
Total	\$898,814	\$898,814	-

The Construction Cost Element needs to be increased by \$29.2 million due to the following:

- Contract C0802 – 101 Freeway Bridge Overcrossing: \$0.6 million to reflect bid price and an allowance for potential contract modifications.
- Contract C0803 – Tunnel, Stations, Trackwork, & Systems: \$25.2 million allocation for provisional sums and an allowance for potential contract modifications.
- Contract CTE00 – Integrated Project Management Office: \$0.2 million for required computer and telephone equipment.
- Contract 0010 – Universal Fare System: \$0.1 million for potential contract modifications.
- Contract P2550 – Vehicle Procurement: \$3.1 million for potential contract modifications.

The Special Conditions Cost Element needs to be increased by \$0.8 million due to the following:

- Advanced Utility Relocations: \$0.7 million for additional advanced utility relocation workscope.
- Builder’s Risk Insurance: \$0.1 million for required Builder's Risk Insurance for Contract C0802 - 101 Freeway Bridge Overcrossing.

The Right-of-Way Cost Element needs to be increased by \$1.4 million due to properties appraised at a higher value than originally estimated and to cover for market fluctuations.

The Project Contingency Cost Element needs to be decreased by \$32.0 million due to the above changes.

The Project Revenue Cost Element needs to be increased by \$16K in recognition of real estate lease payments, document sales, and other revenues received to date.

NEXT STEPS

Staff will provide Project Budget Status Reports to the Board on a quarterly basis to keep them informed as to the status of the Project Budget.

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