

# 2550 Rail Vehicle Program

June 2006



# **2550 RAIL VEHICLE PROGRAM**

## **QUARTERLY PROJECT STATUS REPORT**

THE PREPARATION OF THIS DOCUMENT HAS BEEN FINANCED IN PART THROUGH A GRANT FROM THE U. S. DEPARTMENT OF TRANSPORTATION, FEDERAL TRANSIT ADMINISTRATION (FTA), UNDER THE FEDERAL TRANSIT ACT OF 1964, AS AMENDED, AND FUNDS FROM THE STATE OF CALIFORNIA.

**JUNE 2006**

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## **PROJECT OVERVIEW**

*The 2550 Light Rail vehicle base contract for the 50 LRV cars is with AnsaldoBreda, S.p.A. of Pistoia and Naples, Italy. The 2550 contract also includes two 50-LRV pre-priced options for future growth, expansions, and new lines. These options will require future Board approval in order to become a binding contract requirement.*

*This 2550 Light Rail Vehicle Project is being managed by an innovative Integrated Project Team consisting of four uniquely experienced MTA in-house management staff. This approach was commissioned to not only increase direct staff accountability for the quality and reliability of the resulting LRV but to increase management efficiency by reduced reliance on expensive non-accountable consultants both in management and oversight.*

Project accomplishments through the period ending March 2006 included:

1. The Metro Integrated Project Team (IPT) discussed the status of Contract submittals, reviews and approvals, specific design issues and the status of the in-process Buy America Interim Audit directed by the IPT.
2. AnsaldoBreda mobilization and staffing for the Pittsburg, California plant essentially complete. The Contractor will receive the first A& B carshells in April 2006 to start operations in the second quarter of calendar 2006 with one shift working 5-days per week.
3. Assembly of carshells in the Pistoia, Italy plant continued with the goal to ship these carshells to the USA starting in April 2006.
4. Major vehicle sub-assemblies in the Pistoia, Italy plant, such as truck frames, traction motors, bolsters, HVAC units, etc., commenced shipment to the Pittsburg, California plant in the first quarter of calendar 2006.
5. AnsaldoBreda Testing Engineers continue in Los Angeles with proof-of-design with the two LRVs at Los Angeles Metro. One LRV has successfully operated on the Pasadena Gold Line, the Metro Green line, and the Metro Blue Line. The LRV has also successfully traversed the 6-7% grade of the Green Line/Blue Line connector and effectively completed preliminary roll-back tests.
6. The proof-of-design testing noted above has provided the IPT with confidence that the MTA will receive from AnsaldoBreda a light rail vehicle that is efficient, reliable and more easily maintainable than the existing light rail fleet. Detailed inspection by the IPT during this testing has revealed no major system problems but produced numerous comments on minor corrections necessary for acceptance.
7. AnsaldoBreda Engineers met with the IPT to discuss consideration for the forecast delays in delivery of the U.S. final-assembled vehicles to Metro in Los Angeles.

## **MANAGEMENT ISSUES**

**Concern No. 1:** The FTA expressed its concern about AnsaldoBreda's Buy America compliance.

**Status/Action:** The IPT continues to conduct and finalize the mid-Contract Buy America audit it commissioned earlier in 2005. This is not a requirement of either the Contract or the FFGA but was and is considered by the IPT to be a prudent action to confirm AnsaldoBreda's compliance with the Contract's Buy America provision. The audit will complete in the second quarter of calendar 2006 after final assembly commences in Pittsburg, California. The IPT, as always, continued to direct and admonish AnsaldoBreda in person and in writing that Buy-America compliance is both fundamental and mandatory.

**Concern No. 2:** Documentation submittals are close to complete. However, several submittals continue lagging behind the contract schedule.

**Status/Action:** AnsaldoBreda is making an effort to "catch-up" through the efforts of their documentation consultant. Major progress has been accomplished toward completed manuals.

**Concern No. 3:** In March 2006, AnsaldoBreda presented the IPT with a proposed revised "worse-case" schedule displaying a 16 month slip in the Contract Schedule but still sufficient to meet the operational schedules of the next two light rail lines that are in early construction. The IPT has not accepted this proposed schedule yet as AnsaldoBreda has presently offered no consideration to Metro for this potential schedule extension.

**Status/Action:** In May the IPT and AnsaldoBreda have scheduled negotiations to pursue solutions to schedule delays, consideration or compensation to Metro for any such delays. Contract Milestones as well as delivery dates in the Contract are subject to Liquidated Damages and these monetary amounts will be levied and collected from future billings from AnsaldoBreda.

**Concern No. 4:** The car-borne signaling system is a concern to the IPT based upon the Metro's experience with the same firm, US&S, on the previous LRV procurement. The concern is not with the hardware but with the software development by US&S for three (3) different Automatic Train Protection (ATP) and Train to Wayside Communications (TWC) systems which is another aspect that sets this rail-car design apart from other U.S. light rail-car fleets that typically only have one (1) ATP & TWC system per rail-car fleet.

**Status/Action:** On the 2550 Contract, US&S is a wholly owned subcontractor of AnsaldoBreda instead of totally separate contractor as they were on the previous LRV procurement. This provides AnsaldoBreda and the IPT with a much greater level of manageability over US&S. Much has been accomplished during this quarter to mitigate our concerns, nonetheless, the concern remains and requires continued vigilance by the IPT.

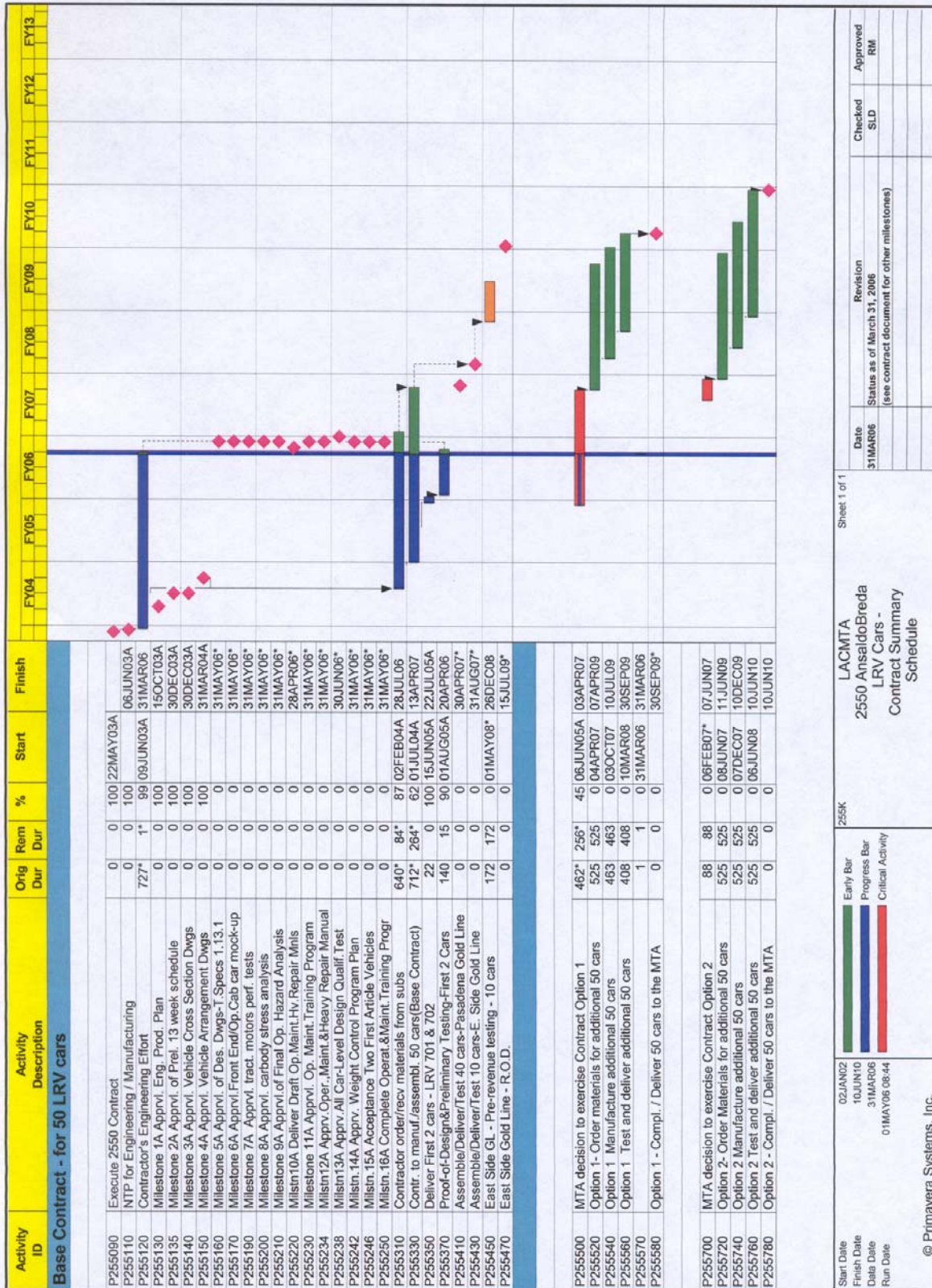
**KEY MILESTONE SCHEDULE SIX-MONTH LOOKAHEAD**

	Milestone Date	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06
Shipment of LRV 4ea. rail-car shells and components from Italy plant to California plant.	2/28/06A		○				
10A-Deliver Draft Operator Maintenance Heavy Repair Manual	4/28/06*				○		
5A-Approval of All Drawings Per Section 1.13.1 of Tech Specs	5/31/06*					○	
6A-Approval of Front End and Operator Cab Car Mock-up	5/31/06*					○	
7A-Approval of Traction Motors Performance Tests	5/31/06*					○	
8A-Approval of Carbody Stress Analysis and Compression Test Reports	5/31/06*					○	
9A-Approval of Final Operation Hazard Analysis	5/31/06*					○	
11A-Approval of Operator Maintenance Training Program	5/31/06*					○	
12A-Approval of Operation, Maintenance Heavy Repair Manual	5/31/06*					○	
14A-Approve Weight Control Program Plan	5/31/06*					○	
15A-Acceptance of Two First Article Vehicles	5/31/06*					○	
16A-Completion of Operations and Maintenance Training Programs	5/31/06*					○	
13A Approval of all Car-Level Design Qualification Test	6/30/06*						○

 LACMTA Staff Milestone	 AnsaldoBreda, S.p.A Deliverables	 FTA	FTA Approval
 Other Agencies	* New Date	 Metro	LACMTA Board Approval



# SUMMARY SCHEDULE



**50-CAR BUY CONTRACT DELIVERY SCHEDULE**

<b>FISCAL YEAR</b>	<b>CAR-SHELLS (2ea. = 1-car)</b>	<b>MONTHS AFTER JUNE 6, 2003 NTP</b>	<b>DELIVERY DATE</b>	<b>ACTUAL DELIVERY DATE</b>
05	2-shells	24 MONTHS	6/05	6/15/05A
	2-shells	24 MONTHS	6/05	7/22/05A
06	2-shells	TBD	TBD	
	2-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
07	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	4-shells	TBD	TBD	
	6-shells	TBD	TBD	
	6-shells	TBD	TBD	
	6-shells	TBD	TBD	
	2-shells	TBD	TBD	
	4-shells	TBD	TBD	
	6-shells	TBD	TBD	
	6-shells	TBD	TBD	
	4-shells	TBD	TBD	
	-----	TBD	TBD	



## **SCHEDULE NARRATIVE**

Notice to Proceed was given June 6, 2003. The base contract engineering effort was scheduled to take approximately two years and delivery of the first two cars was scheduled for June 2005. The 50 car base contract delivery was divided between the MTA (40 cars) and the FTA (10 cars). The last (fiftieth) base contract LRV was scheduled for delivery 48-months after NTP, or approximately May 2007.

The 2550 contract contains two options, which, if exercised, would extend the contract up to another two years each. The options will only be awarded subject to adequate funding and LACMTA Board approval.

Option No. 1 for 50 LRVs may be exercised at 24 months after NTP, but no later than 34 months after the Base Order Notice to Proceed or approximately April 2006. Option No. 2 for 50 LRVs may be exercised at 42 months after NTP, but no later than 48 months after the Base Order Notice to Proceed or approximately June 2007. Extensions to these Option "windows" are in process.

The original delivery rate planned by the contractor was two LRVs per month. The schedule was re-negotiated so that after the original delivery of the first two cars in July 2005, the Contractor could use the following two months (August/September 2005) for mitigating any early production problems. The contractor then would accelerate the production rate to three LRVs per month in order to compensate for any early production delays. The revised delivery dates in the contract have liquidated damages assessments that can be imposed for late LRV car deliveries.

Status as of the end of March 2006 is as follows:

Work on completing Contract Milestone Nos. 5A (Design Drawings), 6A (Car Body Stress Analysis Mockup of Additional Front-end/Ops Cab), 7A (Complete Metro Reviewing Test Data) and 8A (Car Body Stress Analysis) is ongoing; however, until final submittal of Contract documentation is received by LACMTA, these Milestones cannot be considered complete. The Contractor continues advancing the engineering and design on the remaining Contract Milestones. Completion of these Contract Milestones is over six months behind schedule. LACMTA has requested a revised plan from the Contractor showing any mitigation efforts that can be implemented. AnsaldoBreda has mobilized an onsite staff at the Metro Gold Line Maintenance Facility and they will facilitate the completion of the milestones referenced above.

The first two vehicles completed the Proof-of-Design and Preliminary Testing under the supervision of AnsaldoBreda engineers. Delivery of remaining LRVs is six months behind the original Contract delivery dates. The Contractor has agreed to mitigate this delay by increasing the contractual vehicle delivery from two cars to three or four cars per month. LACMTA has received a recovery schedule from the Contractor and it is under review. At this point, there is no schedule impact to Rail Operations or other LACMTA projects.

## **SCHEDULE NARRATIVE**

The majority of the materials and components needed for the original order have been procured. The Contractor has received sufficient material at the Pistoia plant to support the current production plan. The first sub-assemblies are now in route to the USA. Vehicle shells for one third of the vehicles are complete and undergoing final testing.

Floor modifications to the Pittsburg, California assembly plant were reconfigured during this period. Sub-assemblies have arrived from Italy and are going through receiving and inspection. Plant administrative staff is available and qualified technicians from the local area are being hired to support the production plan. Plant administrative staff have been hired and they are doing inventory and are preparing a water test facility for the Vehicle Articulation Component Test.

**PROJECT COST STATUS**

<b>ELEMENT</b>	<b>LRV PROJECT BUDGET FOR 800151</b>	<b>LRV PROJECT BUDGET FOR 800088</b>	<b>TOTAL LRV PROJECT BUDGET</b>	<b>COMMENTS</b>
<b>Base Buy 50 LRVs</b>	\$119,734,000	\$29,933,500	\$149,667,500	40-LRVs MTA & 10-LRVs FTA
<b>Base Buy Spare Parts</b>	\$5,849,886	\$1,462,471	\$7,312,357	
<b>Base Buy Special Tools &amp; Test Equip</b>	\$1,407,051	\$351,763	\$1,758,814	
<b>Subtotals</b>	<b>\$126,990,937</b>	<b>\$31,747,734</b>	<b>*\$158,738,671</b>	
<b>Contingency</b>	\$12,699,094	\$3,174,773	\$15,873,867	.
<b>Subtotals</b>	<b>\$139,690,031</b>	<b>\$34,922,507</b>	<b>\$174,612,538</b>	
<b>Rail Consultant</b>	\$6,870,830	\$1,717,707	\$8,588,537	Contract PS 8310-1267 for Rail Consultant staff technical services
<b>Contingency</b>	\$343,542	\$85,885	\$429,427	
<b>Subtotals</b>	<b>\$7,214,372</b>	<b>\$1,803,592</b>	<b>\$9,017,964</b>	
<b>LACMTA Staff</b>	\$6,014,602	\$1,577,798	\$7,592,400	LACMTA staff on the Integrated Project Team
<b>TOTALS</b>	<b>\$152,919,004</b>	<b>\$38,303,898</b>	<b>\$191,222,902</b>	

3/31/06

\* To be revised to show reduction in awarded Contractor value resulting from a sales tax exemption on rail cars (Granted by the California State Board of Equalization)

FISCAL YEAR CASH FLOW

Metro CONTRACT NO. P2550, LIGHT RAIL VEHICLES																		
MILESTONE PAYMENT CASHFLOW SCHEDULE BY PROJECT, MONTH, & FISCAL YEAR																		
31 MARCH 2006 Rev 0 [Forecasts FY05 Rollover of \$15,319,315 and FY06 Rollover of \$9,457,051*] (Supersedes 16 DECEMBER 2005 Rev 0)																		
P2550 Contract Sched (FY04) Payment Date	Contract Table A [80% PGL]		Contract Table B [40 LRVs PGL]		Contract Table C Individual Vehicle Milestone Payments		Contract Table C Spare Parts Delivery Milestone Payments [80% PGL]		Contract Table C Spare Parts Delivery Milestone Payments [20% ESGL]		PASADENA MILESTONE PAYMENT TOTALS	PASADENA FISCAL YEAR TOTALS	EASTSIDE MILESTONE PAYMENT TOTALS	EASTSIDE FISCAL YEAR TOTALS	Metro CONTRACT P2550 SCHED Payment Date	Metro CONTRACT P2550 TOTALS BY FY	Metro CONTRACT NO. P2550 TOTALS BY FY	FY
	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments	Contract Milestone Payments								
Jul-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY03
Aug-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Sep-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Oct-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Nov-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Dec-03	\$22,121,755	\$5,530,439	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,121,755	\$0	\$5,530,439	\$0	\$27,652,194	\$0	\$27,652,194	FY04
Jan-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Feb-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Mar-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Apr-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
May-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY04
Jun-04	\$5,530,439	\$1,382,610	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,530,439	\$27,652,194	\$1,382,610	\$0	\$6,913,049	\$6,913,049	\$34,565,243	FY04
Jul-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Aug-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Sep-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Oct-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Nov-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Dec-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Jan-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Feb-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Mar-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Apr-05	\$1,659,132	\$414,783	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,659,132	\$0	\$0	\$0	\$2,073,815	\$2,073,815	\$2,073,815	FY05
May-05	\$3,318,263	\$829,566	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,318,263	\$0	\$0	\$0	\$4,147,829	\$4,147,829	\$4,147,829	FY05
Jun-05	\$6,636,527	\$1,659,132	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,815,315	\$12,852,740	\$1,968,836	\$3,213,185	\$9,844,181	\$9,844,181	\$9,844,181	FY05
Jul-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Aug-05	\$4,977,395	\$1,244,349	\$597,420	\$0	\$149,322	\$0	\$284,355	\$149,322	\$0	\$0	\$7,603,946	\$12,852,740	\$1,923,487	\$1,923,487	\$9,817,433	\$9,817,433	\$9,817,433	FY05
Sep-05	\$3,318,263	\$829,566	\$243,339	\$0	\$57,420	\$0	\$57,420	\$57,420	\$0	\$0	\$3,318,263	\$12,852,740	\$829,566	\$829,566	\$6,968,352	\$6,968,352	\$6,968,352	FY05
Oct-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Nov-05	\$11,060,878	\$2,765,219	\$216,792	\$0	\$164,807	\$0	\$164,807	\$164,807	\$0	\$0	\$11,277,670	\$12,852,740	\$2,819,417	\$2,819,417	\$14,097,087	\$14,097,087	\$14,097,087	FY05
Dec-05	\$1,105,088	\$276,222	\$659,227	\$0	\$164,807	\$0	\$164,807	\$164,807	\$0	\$0	\$1,765,315	\$12,852,740	\$441,329	\$441,329	\$2,206,644	\$2,206,644	\$2,206,644	FY05
Jan-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Feb-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Mar-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Apr-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
May-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Jun-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY05
Jul-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Aug-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Sep-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Oct-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Nov-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Dec-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Jan-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Feb-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Mar-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Apr-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
May-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Jun-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
Jul-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	FY06
TOTALS	\$86,365,266	\$16,591,316	\$44,243,510	\$11,060,878	\$7,256,937	\$1,814,234	\$117,865,713	\$29,466,428	\$29,466,428	\$147,332,141	\$147,332,141	\$147,332,141	\$147,332,141	\$147,332,141	\$147,332,141	\$147,332,141	\$147,332,141	FY06

Reduction in awarded Contract Value from \$168,738,671 to \$147,332,141 results from a Sales Tax exemption on rail cars granted by the CA State Board of Equalization. Contract Modification No. 2 dated December 21, 2003.  
December 2005 Update confirms: March & October 2005 Cashflow Updates indicating a Carryover forecast from FY05 to FY06 to be \$15,319,315 and indicates a carryover from FY06 to FY07 to be \$9,457,051 due to different vehicle delivery dates than planned.  
Carryover of the \$15.3 million from FY05 is included in the FY06 budget except for an additional \$3.5 million which still needs to be funded in FY06.

**CHANGE CONTROL STATUS**

Description	A	B		C		D=A+B+C	E		F=D+E
	Award Amount	Approved		Obligated		Total Approved Amount	Potential		Total Potential Value
		Executed Changes		LNTPs (NTE)			Pending		
		#	\$	#	\$		#	\$	
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	0	0	0	0	0	0	0	0	0

There are no Changes this reporting period.

**FINANCIAL/GRANT STATUS**

JUNE 2006		STATUS OF FUNDS BY SOURCE							
SOURCE	(A) ORIGINAL BUDGET	(B) TOTAL FUNDS ANTICIPATED	(C) TOTAL FUNDS AVAILABLE	(D) COMMITMENTS		(E) EXPENDITURES		(F) BILLED to FUNDING SOURCE	
				(D/B) \$	%	(E/B) \$	%	(F/B) \$	%
FEDERAL - STIP	71.1	42.0	15.4	42.0	100%	15.4	37%	15.4	37%
FED-SEC 5309 FIXED GUIDEWAY	38.3	25.9	25.9	25.9	100%	25.9	100%	21.2	82%
FEDERAL - RSTP	7.7	7.7	7.7	7.7	100%	0.0	0%	0.0	0%
FEDERAL - CMAQ	14.2	14.2	14.2	14.2	100%	0.0	0%	0.0	0%
STATE STIP	6.0	35.2	29.2	30.0	85%	0.0	0%	0.0	0%
STATE STA	15.6	15.6	14.2	15.6	100%	10.4	67%	7.5	48%
PROP A 35% BONDS		12.3							
UNBILLED ACRUALS									
<b>TOTAL</b>	<b>152.9</b>	<b>152.9</b>	<b>106.6</b>	<b>135.5</b>	<b>89%</b>	<b>51.8</b>	<b>34%</b>	<b>44.1</b>	<b>29%</b>

(1) Based on June 2003 Regional Programming Funding Plan.  
 Note: Expenditures are cumulative through May 2006.  
 The 2550 Rail Vehicle Program consists of 40 light rail vehicles and associated costs.

**STATUS OF FUNDS ANTICIPATED**

**STIP FEDERAL/STATE:** LACMTA submitted a request for a STIP allocation of \$26.5 million to the CTC for consideration at their July 2006 meeting.

**FEDERAL SECTION 5309:** LACMTA submitted a grant application for \$10.7 million to the FTA for approval. FTA approved the grant on December 8, 2004. The funds are available for drawdown.

**FEDERAL RSTP:** A grant application for \$7.7 million was executed on April 7, 2005. Funds are available for drawdown.

**FEDERAL CMAQ:** A grant application for \$14.2 million was executed on August 25, 2005. Funds are available for drawdown.



## **RAIL CAR TESTING**



Night Testing of the 2550 LRV on the Metro Blue Line.

## **APPENDIX COST AND BUDGET TERMINOLOGY**

**COMMITMENTS:** The total of actual contract awards, executed change orders or amendments, approved work orders of Master Cooperative Agreements, offers accepted for purchase of real estate, and other LACMTA actions that will result in specific expenditures at a future time.

**INCURRED COST:** The total value of work performed to date of services received, and acquired materials or properties.

**EXPENDITURES:** The total dollar amount of checks written by LACMTA's Accounting department for contractor or consultant invoices, third party invoices, staff salaries, and closing payments for escrow accounts that is reported in LACMTA's Financial Information System (FIS).

**CONSTRUCTION:** Includes guideways, yards and shops, systems equipment, stations, and vehicles.

**PROFESSIONAL SERVICES:** Includes general engineering, construction management services, consultant design support services during construction, legal counsel, and agency (LACMTA staff) costs.

**CONTINGENCY:** A fund established at the beginning of a project to provide for anticipated but unknown additional costs that may arise during the course of the project.

**SPECIAL CONDITIONS:** Includes utilities relocation, environmental compliance and mitigation, master cooperative agreements, insurance program, artwork, systems integration testing and pre-revenue operations.

**APPENDIX  
LIST OF ACRONYMS**

CMAQ	Congestion Mitigation Air Quality
CN	Change Notice
CO	Change Order
CTC	California Transportation Commission
FTA	Federal Transit Administration
FY	Fiscal Year
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNTP	Limited Notice To Proceed
LRV	Light Rail Vehicle
MGL	Metro Gold Line Eastside Extension
N/A	Not Applicable
NTE	Not to Exceed
NTP	Notice To Proceed
PGL	Pasadena Gold Line
QPSR	Quarterly Project Status Report
SSPP	System Safety Program Plan
STIP	State Transportation Improvement Program
TBD	To Be Determined