

Los Angeles County
Metropolitan Transportation Authority

QUARTERLY PROJECT STATUS REPORT 2550 Rail Vehicle Program

March 2007



Metro
America's Best

2550 RAIL VEHICLE PROGRAM

METRO INTEGRATED PROJECT TEAM'S 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 WITH FUNDS FROM THE STATE OF CALIFORNIA

MARCH 2007

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PROJECT OVERVIEW

The 2550 Light Rail Vehicle Base Contract for a Base order of 50 LRVs was awarded to 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 are subject to specific U.S. Department Of Labor Producer Price Index escalation and will require future Metro 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 Metro 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 reducing Metro reliance on expensive non-accountable consultants both in management and oversight. The IPT designed the 2550 Contract to provide for a superior LRV capable of performing on all existing and future Metro Light Rail Lines within the Metro Board-established Project Budget.

Project accomplishments through the period ending March 2007 included:

- 1.** The Metro Integrated Project Team (IPT) continued to focus on Pittsburg Final Assembly Plant issues, use of American Flag Vessels for shipments from Italy, and of course, deliveries of the Light Rail Vehicles to Metro.
- 2** The IPT and Metro Executive Management met with the new CEO of AnsaldoBreda S.p.A , Roberto Assereto and the President of AnsaldoBreda, Inc., Giancarlo Fantappie. Metro emphasized to both of these executives that AnsaldoBreda can make or break its U. S. reputation with their performance on this 2550 Contract. Mr. Assereto appointed Mr. Fantappie Project Director with delegated 2550 Project authority for the 2550 LRV Project.
- 3.** AnsaldoBreda mobilization and staffing for the Pittsburg, California plant is complete. AnsaldoBreda is presently assembling the complete motor and center trucks at this plant. AnsaldoBreda has received the ten "A" & ten "B" carshells through the end of March 2007 to continue operations in the Third Quarter of Fiscal 2007 with one shift working 5-days per week.
- 4.** Assembly of carshells in the Pistoia, Italy plant continues with the goal to ship these carshells to the U.S. more efficiently at more than four more carshells per shipment and on American Flag Vessels.
- 5.** The Proof-of-Design testing of the two prototype LRVs has provided the IPT with confidence that Metro will receive a light rail vehicle from AnsaldoBreda 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.
- 6.** Metro has received three Production LRVs at Los Angeles from the Pittsburg Final Assembly Facility which arrived at Metro with minor production deficiencies. Inspection and acceptance testing will commence upon correction of these deficiencies.

MANAGEMENT ISSUES

Concern No. 1: The IPT continues to be concerned about AnsaldoBreda's inability to utilize American Flag Vessels as required by the Contract. Compliance requires that 50% of the shipments to the U.S. be on American Flag Vessels. While there is certainly sufficient time to bring this requirement into compliance, Both the IPT and the U.S. Maritime Administration are concerned that AnsaldoBreda will wait until the final shipments to meet American Flag Vessels compliance when the availability of such vessels may have more serious schedule impacts.

Status/Action No. 1: AnsaldoBreda has agreed to begin utilizing American Flag Vessels but has also expressed concern that using those vessels will require an additional 3000 miles of overland movement by truck through several EU countries and several more American states. This extra surface trucking mileage is perceived as presenting a great risk of in-tract damage to the vehicles based upon their past experience. AnsaldoBreda has not formally responded provided the requested compliance plan in writing.

Concern No. 2: In March 2006, AnsaldoBreda presented the IPT with a proposed revised "worse-case" schedule (Revision 15) 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 as AnsaldoBreda has presently offered no consideration to Metro for this Contract schedule slippage.

Status/Action No. 2: AnsaldoBreda is now preparing Revision 16 to their Schedule submittals. None of their schedules are capable of being approved as a Contract Schedule but hopefully this latest revision will provide Metro some assurance that AnsaldoBreda is dedicated to improving their delivery performance and also address possible consideration or compensation to Metro for existing delays. Contract Milestones as well as vehicle delivery dates in the Contract are subject to Liquidated Damages and these monetary amounts are being levied and collected from present billings from AnsaldoBreda.

Concern No. 3: 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)

Status/Action No. 3: 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 critical and requires continued vigilance by the Metro IPT.

LATEST 2550 LIGHT RAIL VEHICLE CONTRACT & PROPOSED DELIVERY SCHEDULE

No. Of Cars	LIGHT RAIL CARS TO BE DELIVERED TO METRO (1-car = A & B)	CONTRACT DELIVERY REQUIREMENT - MONTHS AFTER JUNE 6, 2003 NTP	CONTRACT REQUIRED DELIVERY DATE (End of Month)	Ansaldobreda WORST CASE SCHEDULE	DATE OF ARRIVAL AT METRO	ACTUAL CONTRACT DELIVERY DATE
X	Prototype Cars. No payment until the cars are each remanufactured to the Contract production configuration.			6/15/05	6/15/2005	
Y				7/22/05	7/22/2005	
1	1 A&B	24 MONTHS	JUNE/05	10/31/06	1/09/2007*	
2	1 A&B	24 MONTHS	JUNE/05	11/30/06	1/30/2007*	
3	1 A&B	26 MONTHS	AUGUST/05	12/31/06	2/28/2007*	
4	1 A&B	27 MONTHS	SEPTEMBER/05	12/31/07		
5	1 A&B	28 MONTHS	OCTOBER/05	1/31/07		
6	1 A&B	28 MONTHS	OCTOBER/05	1/31/07		
7	1 A&B	29 MONTHS	NOVEMBER/05	2/28/07		
8	1 A&B	29 MONTHS	NOVEMBER/05	2/28/07		
9	1 A&B	30 MONTHS	DECEMBER/05	3/31/07		
10	1 A&B	30 MONTHS	DECEMBER/05	3/31/07		
11	1 A&B	31 MONTHS	JANUARY/06	4/30/07		
12	1 A&B	31 MONTHS	JANUARY/06	4/30/07		
13	1 A&B	32 MONTHS	FEBRUARY/06	4/30/07		
14	1 A&B	32 MONTHS	FEBRUARY/06	5/31/07		
15	1 A&B	33 MONTHS	MARCH/06	5/31/07		
16	1 A&B	33 MONTHS	MARCH/06	5/31/07		
17	1 A&B	34 MONTHS	APRIL/06	6/30/07		
18	1 A&B	34 MONTHS	APRIL/06	6/30/07		
19	1 A&B	35 MONTHS	MAY/06	6/30/07		
20	1 A&B	35 MONTHS	MAY/06	7/31/07		
21	1 A&B	36 MONTHS	JUNE/06	7/31/07		
22	1 A&B	36 MONTHS	JUNE/06	7/31/07		
23	1 A&B	37 MONTHS	JULY/06	8/31/07		
24	1 A&B	37 MONTHS	JULY/06	8/31/07		
25	1 A&B	38 MONTHS	AUGUST/06	8/31/07		
26	1 A&B	38 MONTHS	AUGUST/06	9/30/07		
27	1 A&B	39 MONTHS	SEPTEMBER/06	9/30/07		
28	1 A&B	39 MONTHS	SEPTEMBER/06	9/30/07		
29	1 A&B	40 MONTHS	OCTOBER/06	10/31/07		
30	1 A&B	40 MONTHS	OCTOBER/06	10/31/07		
31	1 A&B	41 MONTHS	NOVEMBER/06	10/31/07		
32	1 A&B	41 MONTHS	NOVEMBER/06	11/30/07		
33	1 A&B	41 MONTHS	NOVEMBER/06	11/30/07		
34	1 A&B	42 MONTHS	DECEMBER/06	12/31/07		
35	1 A&B	42 MONTHS	DECEMBER/06	12/31/07		
36	1 A&B	42 MONTHS	DECEMBER/06	1/31/08		
37	1 A&B	43 MONTHS	JANUARY/07	1/31/08		
38	1 A&B	43 MONTHS	JANUARY/07	2/28/08		
39	1 A&B	43 MONTHS	JANUARY/07	2/28/08		
40	1 A&B	44 MONTHS	FEBRUARY/07	3/31/08		
41	1 A&B	44 MONTHS	FEBRUARY/07	3/31/08		
42	1 A&B	44 MONTHS	FEBRUARY/07	4/30/08		
43	1 A&B	45 MONTHS	MARCH/07	4/30/08		
44	1 A&B	45 MONTHS	MARCH/07	5/31/08		
45	1 A&B	45 MONTHS	MARCH/07	5/31/08		
46	1 A&B	46 MONTHS	APRIL/07	6/30/08		
47	1 A&B	46 MONTHS	APRIL/07	6/30/08		
48	1 A&B	46 MONTHS	APRIL/07	7/31/08		
49	1 A&B	47 MONTHS	MAY/07	7/31/08		
50	1 A&B	47 MONTHS	MAY/07	8/31/08		

* Note: The Contract defines "Delivery" as arrival at Metro in a final production configuration that allows Metro to immediately commence inspection and pre-acceptance testing. Vehicles that arrive and require further Contractor labor to achieve final production configuration are NOT considered DELIVERED for the purposes of Delivery payment until production configuration is achieved. All future shipments from Ansaldobreda/Pittsburg must be in complete production configuration.

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 Metro (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.

Status as of end of March 2007 follows:

This is a performance-based contract under which compensation is only paid once deliverables are received and approved by Metro. Compensation for contract milestone completion is an ongoing process directly related to Contractor performance. While work is being accomplished, the documentation for payment based upon accomplishment of milestones lags behind. Some performance improvement is seen with the addition of staff dedicated to documentation control.

The Contractor's two test vehicles are now undergoing the testing in the coupled configuration. The Contractor is preparing a Revision 16 to the vehicle delivery schedule wherein they will propose delivery of three to four vehicles per month to mitigate their schedule slip. This has not occurred to date, although Metro is now assured by AnsaldoBreda's new Project Director, Giancarlo Fantappie that deliveries will improve. Currently, there is no schedule impact to Rail Operations or new Metro projects forecast.

Metro has received three Production LRVs at Los Angeles from the Pittsburg Final Assembly Facility which arrived at Metro with minor production deficiencies. Inspection and acceptance testing will commence upon correction of these deficiencies.

The Contractor has received a majority of material at their facility in Pistoia, Italy sufficient to support their worst case production plan. Vehicle car shells for half of the vehicles have been manufactured and are undergoing subsystem testing prior to release for shipment to the U.S. However, coordination of the supply chain effort between Pistoia and Pittsburg remains an ongoing challenge

By the end of March 2007, sixteen car shells (8 LRVs) had been delivered to the Contractor's final assembly facility in Pittsburg California. Four more car shells (2 LRVs) are in transit between Houston and Pittsburg, California. In addition, the Project IPT has instructed the Contractor to ship vehicle hardware and subsystems components by air to mitigate schedule, rather than by cargo vessel. Where the contractor has followed this advice, inventory availability has grown as expected at Pittsburg facility. Again, this is an ongoing supply chain oversight challenge. The Contractor is constantly admonished to mitigate their supply chain deficiencies.

The Pittsburg Final Assembly Facility has been upgraded with the addition of a second assembly line. In general major subsystems are being installed onto the sixteen car shell modules that are in now inventory.

PROJECT BUDGET STATUS

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

3/31/2007

* 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 & FISCAL YEAR													
31 MARCH 2007 Rev 1 (3rd Quarter FY07) [Supersedes 31 DECEMBER 2006 Rev 01]													
Metro	Metro	Contract Table A Milestone Payments [0001151]	Contract Table A Milestone Payments [000482]	Contract Table B Individual Milestone Payments [000151]	Contract Table B Individual Milestone Payments [000482]	Contract Table C Spare Parts Milestone Payments [000151]	Contract Table C Spare Parts Milestone Payments [000482]	METRO FLEET 800151 MILESTONE PAYMENT TOTALS	METRO FLEET 800151 FISCAL YEAR TOTALS	METRO EASTSIDE 800088 MILESTONE PAYMENT TOTALS	METRO EASTSIDE 800088 FISCAL YEAR TOTALS	P2550 Contract Schedule Payment Date	FY
1	Jul-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jul-03	FY03
2	Aug-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Aug-03	TTL
3	Sep-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Sep-03	
4	Oct-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Oct-03	
5	Nov-03	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Nov-03	
6 (A)	Dec-03	\$22,121,755	\$5,530,439	\$0	\$0	\$0	\$0	\$22,121,755	\$0	\$5,530,439	\$0	Dec-03	
7	Jan-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jan-04	
8	Feb-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Feb-04	
9	Mar-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Mar-04	
10	Apr-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Apr-04	
11 (A)	May-04	\$5,530,439	\$1,382,610	\$0	\$0	\$0	\$0	\$5,530,439	\$27,652,194	\$1,382,610	\$0	May-04	FY04
12 (A)	Jun-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jun-04	TTL
13	Jul-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jul-04	
14	Aug-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Aug-04	
15	Sep-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Sep-04	
16	Oct-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Oct-04	
17	Nov-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Nov-04	
18	Dec-04	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Dec-04	
19	Jan-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jan-05	
20	Feb-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Feb-05	
21	Mar-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Mar-05	
22 (A)	Apr-05	\$23,643,163	\$5,910,796	\$0	\$0	\$0	\$0	\$23,643,163	\$27,652,194	\$5,910,796	\$0	Apr-05	FY05
23	May-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	May-05	TTL
24	Jun-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jun-05	
25	Jul-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jul-05	
26 (A)	Aug-05	\$449,822	\$112,459	\$1,159,872	\$289,968	\$0	\$0	\$1,609,701	\$1,370,019	\$402,276	\$0	Aug-05	
27 (A)	Sep-05	\$2,677,082	\$665,272	\$1,159,872	\$289,968	\$0	\$0	\$3,836,958	\$1,480,839	\$959,240	\$0	Sep-05	
28	Oct-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Oct-05	
29	Nov-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Nov-05	
30	Dec-05	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Dec-05	
31	Jan-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jan-06	
32	Feb-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Feb-06	
33	Mar-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Mar-06	
34	Apr-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Apr-06	
35	May-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	May-06	FY06
36 (A)	Jun-06	\$4,763,485	\$1,190,871	\$1,159,872	\$289,968	\$0	\$0	\$5,923,357	\$11,370,019	\$1,480,839	\$2,842,505	Jun-06	TTL
37	Jul-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jul-06	
38	Aug-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Aug-06	
39	Sep-06	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Sep-06	
40 (A)	Oct-06	\$566,690	\$141,672	\$1,159,872	\$289,968	\$0	\$0	\$1,726,562	\$4,316,640	\$431,668	\$0	Oct-06	
41 (A)	Nov-06	\$446,802	\$111,700	\$1,159,872	\$289,968	\$0	\$0	\$1,606,674	\$4,316,640	\$401,668	\$0	Nov-06	
42 (A)	Dec-06	\$5,032,068	\$1,258,017	\$1,159,872	\$289,968	\$0	\$0	\$6,191,940	\$11,370,019	\$1,547,985	\$0	Dec-06	
43	Jan-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jan-07	
44 (A)	Feb-07	\$1,070,062	\$267,515	\$1,159,872	\$289,968	\$0	\$0	\$2,229,934	\$5,557,483	\$557,483	\$0	Feb-07	FY07
45 (A)	Mar-07	\$63,864	\$15,966	\$1,159,872	\$289,968	\$0	\$0	\$1,223,736	\$3,065,934	\$305,934	\$0	Mar-07	TTL
46	Apr-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Apr-07	
47	May-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	May-07	
48	Jun-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jun-07	FY07
49	Jul-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Jul-07	
50	Aug-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Aug-07	
51	Sep-07	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	Sep-07	
52	Oct-07	\$0	\$0	\$349,523	\$87,381	\$0	\$0	\$349,523	\$87,381	\$87,381	\$0	Oct-07	
53	Nov-07	\$0	\$0	\$216,792	\$54,198	\$0	\$0	\$216,792	\$54,198	\$54,198	\$0	Nov-07	
54	Dec-07	\$0	\$0	\$659,227	\$164,807	\$0	\$0	\$659,227	\$164,807	\$164,807	\$0	Dec-07	
55	Jan-08	\$0	\$0	\$371,645	\$92,911	\$7,256,937	\$1,814,234	\$1,907,745	\$5,557,483	\$1,907,745	\$3,806,297	Jan-08	
56	Feb-08	\$0	\$0	\$703,471	\$175,868	\$0	\$0	\$703,471	\$175,868	\$175,868	\$0	Feb-08	
57	Mar-08	\$0	\$0	\$1,367,124	\$341,781	\$0	\$0	\$1,367,124	\$341,781	\$341,781	\$0	Mar-08	
58	Apr-08	\$0	\$0	\$1,433,490	\$358,372	\$0	\$0	\$1,433,490	\$358,372	\$358,372	\$0	Apr-08	
59	May-08	\$0	\$0	\$1,345,003	\$336,251	\$0	\$0	\$1,345,003	\$336,251	\$336,251	\$0	May-08	FY08
60	Jun-08	\$0	\$0	\$1,521,977	\$380,494	\$0	\$0	\$1,521,977	\$380,494	\$380,494	\$0	Jun-08	TTL
61	Jul-08	\$0	\$0	\$2,040,409	\$510,102	\$0	\$0	\$2,040,409	\$510,102	\$510,102	\$0	Jul-08	
62	Aug-08	\$0	\$0	\$2,040,409	\$510,102	\$0	\$0	\$2,040,409	\$510,102	\$510,102	\$0	Aug-08	
63	Sep-08	\$0	\$0	\$1,487,366	\$371,841	\$0	\$0	\$1,487,366	\$371,841	\$371,841	\$0	Sep-08	
64	Oct-08	\$0	\$0	\$5,243,638	\$1,310,909	\$0	\$0	\$5,243,638	\$1,310,909	\$1,310,909	\$0	Oct-08	
65	Nov-08	\$0	\$0	\$1,841,312	\$460,326	\$0	\$0	\$1,841,312	\$460,326	\$460,326	\$0	Nov-08	
66	Dec-08	\$0	\$0	\$1,752,623	\$438,206	\$0	\$0	\$1,752,623	\$438,206	\$438,206	\$0	Dec-08	
67	Jan-09	\$0	\$0	\$1,597,366	\$401,841	\$0	\$0	\$1,597,366	\$401,841	\$401,841	\$0	Jan-09	
68	Feb-09	\$0	\$0	\$1,597,366	\$401,841	\$0	\$0	\$1,597,366	\$401,841	\$401,841	\$0	Feb-09	
69	Mar-09	\$0	\$0	\$2,713,603	\$678,401	\$0	\$0	\$2,713,603	\$678,401	\$678,401	\$0	Mar-09	
70	Apr-09	\$0	\$0	\$2,315,412	\$578,853	\$0	\$0	\$2,315,412	\$578,853	\$578,853	\$0	Apr-09	
71	May-09	\$0	\$0	\$2,049,949	\$512,487	\$0	\$0	\$2,049,949	\$512,487	\$512,487	\$0	May-09	FY09
72	Jun-09	\$0	\$0	\$2,403,897	\$600,974	\$0	\$0	\$2,403,897	\$600,974	\$600,974	\$0	Jun-09	TTL
TOTALS		\$66,365,266	\$16,591,316	\$44,243,510	\$11,060,878	\$7,256,937	\$1,814,234	\$117,865,713	\$117,865,713	\$29,466,428	\$29,466,428	TOTALS	\$147,332,141

Reduction in awarded Contract Value from \$168,738,674 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. Values also do not reflect the Liquidated Damages that have been assessed and are presently being collected and will continue over the period of the Contract.

CHANGE CONTROL STATUS

CHANGE CONTROL STATUS

Description	A	B				C		D=A+B+C	E		F=D+E
	Award Amount	<i>Approved</i>				<i>Obligated</i>		Total Approved Amount	<i>Potential</i>		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	0	0	0	
TOTAL	0	0	0	0	0	0	0	0	0	0	

There are no Change Orders this reporting period.

Two (2) additions to the basic system design are in the preliminary discussion phase:

1. GPS system
2. Event Recorder system

These changes are within the Budget without considering any contingency.

FINANCIAL/GRANT STATUS

Metro EASTSIDE LIGHT RAIL TRANSIT
(IN MILLIONS OF DOLLARS)

MARCH 2007

STATUS OF FUNDS BY SOURCE

SOURCE	(A)	(B)	(C)	(D)	(D/B)	(E)	(E/B)	(F)	(F/B)
	ORIGINAL BUDGET	TOTAL FUNDS ANTICIPATED	TOTAL FUNDS AVAILABLE	COMMITMENTS \$	%	EXPENDITURES \$	%	BILLED to FUNDING SOURCE \$	%
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%	24.8	96%
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	61.7	30.0	85%	5.7	16%	3.4	11%
STATE STA	15.6	15.6	8.5	15.6	100%	8.5	54%	8.3	53%
PROP A 35% BONDS		12.3							
UNBILLED ACRUALS									
TOTAL	152.9	152.9	133.4	135.5	89%	55.5	36%	51.9	34%

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.

PHOTOS



2550 LRV Coming into Union Station Reflecting the Late Afternoon Sun



2550 LRV at Division 21 Metro Gold Line Yard

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 Metro 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 Metro's Accounting department for contractor or consultant invoices, third party invoices, staff salaries, and closing payments for escrow accounts that is reported in Metro'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 (Metro 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**

ATP	Automatic Train Protection
CN	Change Notice
CO	Change Order
CMAQ	Congestion Mitigation & Air Quality
CTC	California Transportation Commission
FFGA	Full Funding Grant Agreement
FIS	Financial Information System
FTA	Federal Transit Administration
FY	Fiscal Year
HVAC	Heating, Ventilation, Air Conditioning
IPT	Integrated Project Team
LACMTA	Los Angeles County Metropolitan Transportation Authority (Metro)
LNTF	Limited Notice To Proceed
LRV	Light Rail Vehicle
Metro	Los Angeles County Metropolitan Transportation Authority
MGLLE	Metro Gold Line Eastside Extension
N/A	Not Applicable
NTE	Not to Exceed
NTP	Notice To Proceed
PGL	Pasadena Gold Line
PMOC	Project Management Oversight Consultant
QPSR	Quarterly Project Status Report
RSTP	Regional Surface Transportation Program
SSPP	System Safety Program Plan
STIP	State Transportation Improvement Program
TBD	To Be Determined
TWC	Train to Wayside Controller
US&S	Formerly United Switch and Signal