



Metro

REVISED
CONSTRUCTION COMMITTEE
FEBRUARY 15, 2007

**SUBJECT: METRO GOLD LINE EASTSIDE EXTENSION
PROJECT BUDGET STATUS REPORT**

ACTION: RECEIVE AND FILE

ISSUE

The Metro Gold Line Eastside Extension Project remains within the Board approved budget of \$898.8 million. This report provides the MTA-Board of Directors with information on the current status of the Project and various adjustments that have been made between the individual Cost Elements to reflect the current status of the Project.

DISCUSSION

The Current Budget has been revised to reflect the status of the individual Cost Elements, within the overall Project Budget after two and one-half years of construction. At this time, the mining of both tunnels has been safely completed with no measurable ground settlement and over 1.5-million work-hours to-date, with no recorded loss time accidents. Changes to the C0803 Design-Build/Design-Bid-Build Contract are less than 1% of the \$600.45 million contract award value.

There is no change to the Total Project Budget of \$898.8 million. The reallocations of costs, both increases and decreases within each individual Cost Element line item are shown below:

Dollars in Thousands NEW

Cost Element	Expenditures To Date	Current Budget January 2007	Current Budget February 2007	Budget Change
Construction	\$326,001	\$662,391	\$651,961	(\$10,430)
Special Conditions	22,467	20,329	43,948	23,619
Right-of-Way	39,901	41,742	42,299	557
Professional Services	99,570	135,936	135,841	(95)
Project Contingency	0	28,249	14,599	(13,651)
Project Revenue	(44)	(4,633)	(4,633)	0
Subtotal	\$487,895	\$884,014	\$884,014	\$0
Project Finance Cost	236	14,800	14,800	0
Total	\$488,131	\$898,814	\$898,814	\$0

The Construction Cost Element has been decreased by \$10.4 million due to the following:

- Contract C0802 – 101 Freeway Bridge Overcrossing: \$0.4 million decrease in the allowance for potential contract modifications.
- Contract C0803 – Tunnel, Stations, Trackwork, & Systems: \$6.6 million net decrease in the allocation for tunneling provisional sums, allowance for potential contract modifications and the transfer of work orders for the utility shared incentive program to Special Conditions, since the contractor has no means to enter into a contract with Third Party Agencies. The net amount also reflects the Dispute Review Board’s ruling on the steel economic price adjustments.
- Contract CTE00 – Integrated Project Management Office: \$0.1 million increase for required computer and telephone equipment.
- Contract YS000 – Maintenance Facility and Yard Modifications: \$1.2 million decrease to reflect the Project’s share of Division 21 modifications.
- Contract 0010 – Universal Fare System: \$2.3 million decrease to reflect exercising the contract option.

The Special Conditions Cost Element has been increased by \$23.6 million due to the following:

- Environmental Compliance: \$0.1 increase for continuation of services.
- Advanced Utility Relocations: \$2.0 million increase for additional advanced utility relocations that were required at the two underground stations and portals.
- Master Cooperative Agreements: \$11.9 million increase to reflect annual work plans and added support required for traffic mitigations, resulting in fewer impacts to the community.
- Utility Shared Incentive Program: \$6.9 million increase to reflect the transfer of work orders from Contract C0803, since the contractor has no means to enter into a contract with Third Party Agencies.
- Utility Shared Incentive Program: \$2.6 million increase to reflect the potential cost overrun in both wet and dry utilities.
- Builder’s Risk Insurance: \$0.1 million increase for continuation of insurance for Contract C0802, US-101 Freeway Bridge Overcrossing.

The Right-of-Way Cost Element was increased by \$0.6 million due to properties appraised at a higher value than originally estimated and to cover market fluctuations.

The Professional Services Cost Element decreased by \$0.1 million due to the following:

- Agency: \$2.9 million decrease for less indirect labor costs.
- Construction Management Support Services: \$2.5 million increase for additional inspection staff required during tunneling operations and relocation of utilities.

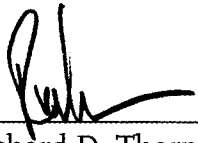
- Eastside LRT Partners: \$2.0 million increase for continued support during tunneling operations and Contract C0802.
- Tunnel Advisory Panel: \$0.2 million decrease to reflect remaining support required.
- Project Management Assistance: \$0.2 million decrease to reflect the final value of this contract.
- Pre-Construction Survey: \$0.7 million decrease to reflect the final value of this contract.
- Legal Services: \$0.8 million decrease for services that are chargeable to overhead.
- Relocation Plan and Services: \$0.1 million increase in tenant relocations.
- Design Build Advisor: \$0.1 million decrease to reflect the final value of this contract.
- Miscellaneous Specialty Services: \$0.1 million increase required for continued support.
- Outside Auditing Services: \$0.1 million increase required for continued services.

The Project Contingency Cost Element has been decreased by \$13.7 million due to the above changes.

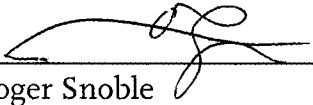
NEXT STEPS

Staff will continue to provide Project Budget Status Reports to the Board at various intervals when major Project milestones are completed.

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