



FINANCE AND BUDGET COMMITTEE
June 20, 2007

SUBJECT: FY07 THIRD QUARTER FINANCIAL PERFORMANCE

ACTION: RECEIVE AND FILE

RECOMMENDATION

Receive and file the FY07 third quarter Financial Performance Report.

ISSUE

This report discusses the financial performance of major programs for FY07.

DISCUSSION

SUMMARY OF SALES TAX REVENUES

Proposition A, Proposition C, Transportation Development Act (TDA), and State Transit Assistance (STA) sales taxes represent over 50% or \$1.6 billion of Metro's total budgeted revenues. Propositions A, C and the TDA funds are sales taxes that are distributed to Metro by the State Board of Equalization (SBE). Actual sales tax information is not available until two and one-half months after the end of the quarter.

For the nine months ended March 31, 2007, Propositions A & C, and TDA sales tax (excluding STA) revenues are projected to be at least \$1.28 billion, which is approximately 2.7% more than the budgeted amount.

In January 2007, Metro received notice from the SBE that a major retailer (Home Depot) has elected to change their tax reporting period base data. Although this change should not have a material impact on overall annual tax revenues generated year-to-year, Metro (and other tax revenue recipients) may notice a slight change in distribution over the next quarter.

STA revenues are sales taxes on gasoline and are distributed to Metro through the state of California Prop 42 process. Actual payment advice for the third quarter is not available yet from the state; however, through December 2006, STA actual revenues totaled \$96.4 million, which is \$62.5 million or 184.0% more than budget. They were ahead of budget due to high price of gasoline during the past twelve months which created a windfall during FY06 which is collected and received by Metro in FY07.

For the nine months ended March 31, 2007

(Dollars in Millions)	FY07			FY06 Actual	FY05 Actual
	Actual	Budget	Variance Over/ (Under)		
Sales Tax Revenue (excluding STA)	\$1,280.7	\$1,246.9	\$33.8	\$1,255.3	\$1,158.5

OUTLOOK OF SALES TAX REVENUES

In January 2006, as part of the Financial Standards, the Board adopted the 20-year historical average of 3.8% for sales tax growth as the assumption for the FY07 budget. Based on the actual sales tax information received so far it is anticipated that Proposition A, C & TDA revenues will come in slightly higher than budget.

STA revenues will continue to be ahead of budget due to the Prop 42 windfall that was not anticipated at the time of budget adoption. Metro programs STA revenues to bus and rail operating and capital expenditures. Metro's portion of the total windfall is estimated to be \$108 million. These windfall STA funds have been swapped in FY07 with Proposition A funding. The deferred Proposition A revenues not used in FY07 will be programmed in the FY08 budget.

SUMMARY OF ENTERPRISE FUND

Operating revenues were \$6.1 million (3%) over the FY07 budget. Boardings exceeded the budget by 3%. The fare revenue per boarding was \$0.58 per boarding which was 2% below budget.

Overall, operating expenses were \$836.9 million which is 1% below budget. Savings from vacant positions were more than offset by added overtime for the remaining employees, resulting in labor expenses exceeding the budget by \$1.8 million. Fringe benefits were over budget by \$19.2 million due to a prior year adjustment for other post employment benefits (OPEB). Parts cost exceeded budget by \$1 million due to greater than planned bus sector usage.

In connection with the FY06 audit, Metro's auditors, PricewaterhouseCoopers (PWC), noted that the assumptions used in calculating the liability for other post-employment benefits, aka retiree medical needed to be updated. Based on PWC's analyses, we calculated that Metro should increase the post-employment liability by \$28.0 million to cover anticipated costs for existing retirees as well as active employees. As a result, Metro booked \$21 million of this liability (\$19.1 million to Enterprise Fund operating expenses) in the first nine months of FY07, and will book the remaining \$7.0 million over the remaining three months of FY07.

Fuel costs were below budget \$11.2 million due to lower than anticipated prices for CNG. Professional, security and contract services were below budget \$8.9 million due to delays implementing new programs. All other expense categories were at or slightly below budget.

The combination of increased revenues and decreased costs creates a \$12.3 million variance to the year-to-date budget. The fare variance is expected to remain positive for the remainder of the fiscal year. The fuel prices have increased in recent months; therefore, it is uncertain what the price of natural gas will be this spring. According to the department managers, professional services expenditures are expected to be greater in the last three months of the fiscal year than the first nine months.

Based on the nine months experience to-date and previous years' historical spending patterns we are forecasting to end the year at the adopted budget level for the Enterprise Fund operating expenses, including satisfying the increased reserve requirements for post-employment benefits.

FY07 Enterprise Fund Actual vs. Budget

For the nine months ended March 31, 2007

(Dollars in Millions)	Actual	Budget	Variance
Operating Revenue			
Fares	213.1	208.0	5.1
Other	13.5	12.5	1.0
Total	226.6	220.5	6.1
Operating Expenses			
UTU Labor	181.5	184.2	(2.6)
ATU Labor	90.7	86.6	4.1
AFSCME Labor	31.3	32.0	(0.7)
Non-Contract Labor	41.7	41.3	0.4
TCU Labor	22.9	22.6	0.3
Teamster Labor	3.5	3.2	0.3
Fringe Benefits	165.7	146.5	19.2
Subtotal All Labor	537.3	516.4	20.9
Fuel	34.7	45.9	(11.2)
Propulsion Power	15.1	16.0	(0.9)
Parts	61.9	60.5	1.4
Security	45.6	47.1	(1.5)
Purchased Transportation	25.4	26.7	(1.3)
Contract Services	20.8	23.6	(2.8)
Professional Services	11.0	15.6	(4.6)
Workers' Comp	32.9	36.3	(3.4)
Insurance	35.6	36.5	(0.9)
Travel	0.1	0.2	(0.1)
Overhead	5.1	5.1	-
All Others	11.5	13.3	(1.8)
Total	837.0	843.2	(6.2)

Operating Expenses by Operating Project

San Fernando Valley Sector	96.4	94.6	1.8
San Gabriel Valley Sector	98.6	101.8	(3.2)
Gateway Cities Sector	92.6	95.4	(2.8)
South Bay Sector	104.6	108.7	(4.1)
Westside Central Sector	123.7	119.5	4.2
Orange Line	13.2	14.4	(1.2)
Bus Admin	39.2	39.5	(0.3)
Other Bus	96.7	99.1	(2.4)
Red Line	60.7	58.6	2.1
Blue Line	45.9	43.4	2.5
Green Line	26.9	27.2	(0.3)
Gold Line	27.7	29.0	(1.3)
Rail Admin	8.7	10.1	(1.4)
Other Rail	0.1	-	0.1
Regional	2.0	1.9	0.1
Total	837.0	843.2	(6.2)

Excludes: EZ Pass, Debt, Depreciation

SUMMARY OF PERFORMANCE MEASUREMENTS FOR BUS

For the Nine Months Ended March 31, 2007

Performance Measurement – Bus & Orange Line	2007		Variance Over/ (Under)	2006 Actual	2005 Actual
	2007 Actual	2007 Budget			
Bus Cost/Revenue Service Hour	\$114.51	\$114.40	\$0.11	\$107.71	\$102.33
Orange Line Cost/Revenue Service Hour	\$210.62	\$236.70	(\$26.04)	NA	NA
Bus Revenue Service Hours	5,686,989	5,750,398	(63,409)	5,723,747	5,614,147
Orange Line Revenue Service Hours	65,439	63,124	2,315	NA	NA
Bus Cost/Passenger Mile	\$0.58	\$0.58	\$0.00	\$0.56	\$0.56
Orange Line Cost/Passenger Mile	\$0.46	\$0.55	(\$0.09)	NA	NA
Bus Subsidy/Passenger Mile	\$0.41	\$0.42	(\$0.01)	\$0.39	\$0.39
Orange Line Subsidy/Passenger Mile	\$0.38	\$0.47	(\$0.09)	NA	NA
Complaints per 100,000 Boardings	2.46	3.33	(0.87)	2.41	3.54
Traffic Accidents/100,000 Miles	3.75	3.40	0.35	3.45	3.50
New Workers Comp Claims per 200,000 Hours Mean Miles Between	10.98	11.70	(0.72)	12.27	13.61
Mechanical Failures	3536	3500	36	3274	NA
In-Service On-time Performance	63%	70%	(7%)	64%	66%

Discussion

Bus costs per revenue service hour (RSH) were over the target by \$0.11 due to operating 1.1% fewer hours than were planned. Operating expenses were 1.0% below budget due to under-expenditures in CNG and services more than offsetting the OPEB expense. Orange Line costs per RSH were below target because costs were below budget by 7.8%, and RSH exceeded the budget by 3.7%. Although overall bus cost per RSH was above budget, boardings and passenger miles exceeded the budget. Therefore, cost per passenger mile and subsidy per passenger mile equaled or were better than budget.

Complaints per 100,000 boardings were lower than the annual target. If the trend continues, the number will be below the annual target by year end.

Traffic accidents per 100,000 miles were slightly above target, and worse than last year. This is attributed in part to increased use of articulated buses in local service, particularly on Wilshire Boulevard.

New workers' compensation claims per 200,000 hours were lower than the annual budget, and better than last year. The improvement is due to the ongoing safety program and safety meetings that focus on safety awareness and accident prevention.

Mean miles between mechanical failures requiring a bus exchange is better than the target and last year. In-service on-time performance is below target and slightly worse than last year due to extra time needed to allow additional passengers to board and alight buses.

SUMMARY OF PERFORMANCE MEASUREMENTS FOR RAIL

For the Nine Months Ended March 31, 2007

Performance Measurement – Rail	2007			2006 Actual	2005 Actual
	2007 Actual	2007 Budget	Variance Over/ (Under)		
Heavy Rail Cost/Vehicle Service Hour	\$320.31	\$307.18	\$13.13	\$294.94	\$293.12
Light Rail Cost/Vehicle Service Hour	\$382.55	\$367.11	\$15.44	\$393.51	\$368.31
Heavy Rail Cost/Passenger Mile	\$0.42	\$0.45	(\$0.03)	\$0.41	\$0.47
Light Rail Cost/Passenger Mile	\$0.49	\$0.49	\$0.00	\$0.46	\$0.69
Heavy Rail Subsidy/Passenger Mile	\$0.30	\$0.31	(\$0.01)	\$0.27	\$0.37
Light Rail Subsidy/Passenger Mile	\$0.42	\$0.41	\$0.01	\$0.38	\$0.58
New Workers Comp Claims per 200,000 Hours	7.0	9.9	(2.9)	11.6	9.8
Light Rail Vehicle Accident Rate/100,000 Miles	0.55	0.37	0.18	0.40	0.29

Rail expenses are \$2 million (0.9%) over budget again primarily due to OPEB. As a result of vehicle accidents and equipment failures, light and heavy rail vehicle service hours are 3.1% below budget. Therefore, cost per hour variances are due to reductions in hours, as well as increased costs. As with bus, greater than budgeted boardings and fare revenue resulted in favorable variances per passenger mile.

New workers' compensation claims were below budget, and significantly below last year. Light rail accidents, primarily Blue Line, were over the target and worse than the previous year. Transit Operations continues to focus on safety awareness programs to help reduce claims and accident rates.

SUMMARY OF CAPITAL PROGRAM

The attached capital program status report for the second quarter of FY07, shows the status of adopted life-of-project budgets and projected total costs to complete for each project. The projected costs to complete are provided by the project managers for each project and are updated quarterly.

The report identifies the projected life-of-project (LOP) budget status for each project. If the project exceeds the LOP budget but is under \$1 million, it is within the Board-approved limit for transferring contingency to the project. If the LOP change causes the project to exceed \$1 million, the project manager is required to return to the Board for approval.

See Attachment A for a detailed discussion on each capital project.

SUMMARY OF GOVERNMENTAL FUNDS

The Governmental funds budget includes Special Revenue and General Fund programs and projects. The Special Revenue Fund includes all sales tax subsidies to other entities including the Local Return Program to Cities, The Formula Allocation Process to municipal bus operators, Access Services, Metrolink Operating and Capital, the Incentive Program, and the Call for Projects.

A summary of the activity in the subsidies to others for the third quarter follows:

For the nine months ended March 31, 2007

Description (Dollars in Millions)	Actual	Budget	Variance Over/ (Under)
A & C Local Return	\$220.4	\$225.5	(\$5.1)
Prop A Bus FAP	53.3	49.6	3.7
Prop C Bus FAP	25.8	28.6	(2.8)
TDA Formula Subsidies	62.4	64.1	(1.7)
STA Subsidies	15.9	7.1	8.8
TDA Other Subsidies	14.3	19.2	(4.9)
Prop A Incentive	3.4	9.9	(6.5)
Metro Rapid Improvements	.6	10.6	(10.0)
Regional Surface Transportation Projects (CFP)	25.3	56.2	(30.9)
Freeway Projects (CFP)	8.0	26.3	(18.3)
Local Traffic System (CFP)	12.9	23.6	(10.7)
Bus Capital (CFP)	1.2	5.7	(4.5)
Misc Call for Projects	.4	.7	(0.3)
Soundwalls Program	5.1	2.5	2.6
ASI	18.8	18.8	--
Metrolink Operating	23.9	38.4	(14.5)
Metrolink Capital	-	2.9	(2.9)
Regional EZ Pass	4.4	5.6	(1.2)
Immediate Needs; SHORE	3.5	4.5	(1.0)
Regional Grantee	4.2	7.4	(3.2)
Transit Security	6.0	4.0	2.0
Other Planning Projects	.3	2.6	(2.3)
TOTAL	\$510.1	\$613.8	(\$103.7)

Generally subsidy to others continues to experience cash flow delays due to the timing of invoicing from other entities.

The Special Revenue Fund and the General Fund also include budget for work done by Metro such as planning and programming of funds, Freeway Service Patrol, Service Authority for Freeway Emergencies (SAFE), Internal Auditing and Inspector General expenditures, Ethics and County Counsel expenditures, all lobbying activities and other non-allocable costs. The third quarter account summary for these departments is summarized on the next page:

For the nine months ended March 31, 2007

(Dollars in Millions)	Actual	Budget	Variance Over/(Under)
Operating Expenses			
Non-Contract Labor	\$20.6	\$22.4	(\$1.8)
Fringe Benefits	8.7	8.4	0.3
Professional Services	25.5	57.1	(31.6)
Other Services	6.9	10.7	(3.8)
Workers Comp	0.3	0.7	(0.4)
Insurance	0.3	0.4	(0.1)
Travel	0.2	0.2	(0.0)
Others	1.8	7.8	(6.0)
Overhead	2.2	1.7	0.5
Total Operating Expenses	\$66.5	\$109.4	(\$42.9)

SUMMARY OF HIGH PROFILE ACCOUNTS

Agency-wide there are nine accounts that the Board identified for across-the-board budget reductions during development of the FY07 budget. The third quarter status report for those accounts is listed below.

For the nine months ended March 31, 2007

Account Description	FY07			FY06 Actual	FY05 Actual
	Actual	Budget	Variance over/ (under)		
50316 - Serv Prof And Tech Service	\$74,145,436	\$74,461,783	(\$316,347)	\$41,476,971	\$88,122,708
50432 - M/S Computer Supplies	1,859,439	3,509,202	(1,649,763)	1,390,102	1,639,495
50436 - M/S Office Supp/Expendable Eq	1,237,033	4,444,376	(3,207,343)	1,083,029	982,895
50442 - M/S Printing Equipt & Suppl	449,927	422,352	27,575	375,414	405,444
50443 - M/S Promo And Info Materials	222,518	220,022	2,496	193,441	223,690
50499 - M/S Others	426,451	229,044	197,407	361,548	298,639
50903 - Misc Business Meals	65,181	32,753	32,428	40,259	63,969
50917 - ER Business Travel	277,076	609,848	(332,772)	397,299	367,058
50999 - Misc Expenses-Others	1,308,877	2,508,031	(1,199,154)	1,581,950	1,478,167
Total	\$79,991,938	\$86,437,411	(\$6,445,473)	\$46,900,013	\$93,582,065

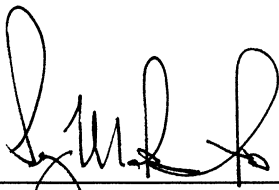
The above nine accounts combined are \$6.5 million or 7.5% under budget at the end of the third quarter.

Account #50442, Printing Equipment & Supplies and account #50443 Promotion and Information Materials continues to register over budget primarily due to printing requirements for Customer Communications cost center 7140.

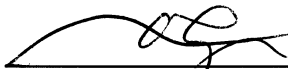
An analysis of the expenditures charged to account #50499 Materials and Supplies Other shows that the majority of these charges are coming from the bus and rail operating divisions resulting from supplies withdrawn from the automated maintenance inventory system (M3). These charges are being reviewed by inventory management personnel to ensure all charges are correctly recorded.

Attachment: Capital Program Status Report

Prepared by: Office of Management & Budget



Terry Matsumoto
Chief Financial Services Officer and Treasurer



Roger Snoble
Chief Executive Officer

Los Angeles County Metropolitan Transportation Authority

Capital Program Variance Report - Life of Project

For the period ended March 31, 2007



	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Bus Acquisition									
1	ATV Bus Purchase (Hybrid Vehicles)	200044	125,963	-	4,476,662	4,602,625	4,602,625	-	No activity for the third quarter for this project. The ATVC Board will be negotiating a contract with NABI in the fourth quarter.
2	100 QTY 45' NABI Compo Buses	201004	44,376,502	3,188,188	665,309	48,230,000	48,230,000	-	All remaining expenses are for post-delivery retrofits and support by Metro staff.
3	178 CNG Articulated Bus Purchase Base Order*	201005	126,450,229	43,313	280,458	126,774,000	126,774,000	-	Metro continues to negotiate with the vendor on a variety of retrofits and upgrades. During the fourth quarter, NABI will be conducting a retrofit campaign of all vehicles to certain welds and brackets.
4	94 CNG Articulated Buses	201011	70,872,448	11,305,698	821,854	83,000,000	83,000,000	-	Through March 2007, NABI had delivered 74 of the 94 buses in this order. The final 20 buses in this contract are expected to be delivered by June 30, 2007.
5	75 Quantity 40' Bus Option FY05*	201027	27,845,499	-	2,154,501	30,000,000	30,000,000	-	Working on retrofit campaigns. Project is scheduled to be closed out by June 30, 2007.
6	HCNG Demonstration Project	201033	231,239	325,000	702,053	1,258,292	1,258,292	-	Fueling facility still under construction. Activity on this project will increase after the fueling facility has been activated.
7	Study: 45' Composite Buses for 2008	201034	42,752	-	463,248	506,000	506,000	-	Metro continues discussions with vendors for this product. Depending on industry interest, staff may initiate an RFP for composite 45' buses during the fourth quarter.
8	Subtotal for Bus Acquisition		269,944,633	14,862,199	9,564,085	294,370,917	294,370,917	-	

* Indicates a carryover project previously scheduled to complete in FY06.

Los Angeles County Metropolitan Transportation Authority
Capital Program Variance Report - Life of Project
For the period ended March 31, 2007



	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Bus Acquisition									
1	ATV Bus Purchase (Hybrid Vehicles)	200044	125,963	-	4,476,662	4,602,625	4,602,625	-	No activity for the third quarter for this project. The ATVC Board will be negotiating a contract with NABI in the fourth quarter.
2	100 QTY 45' NABI Compo Buses	201004	44,376,502	3,188,188	665,309	48,230,000	48,230,000	-	All remaining expenses are for post-delivery retrofits and support by Metro staff.
3	178 CNG Articulated Bus Purchase Base Order*	201005	126,450,229	43,313	280,458	126,774,000	126,774,000	-	Metro continues to negotiate with the vendor on a variety of retrofits and upgrades. During the fourth quarter, NABI will be conducting a retrofit campaign of all vehicles to certain welds and brackets.
4	94 CNG Articulated Buses	201011	70,872,448	11,305,698	821,854	83,000,000	83,000,000	-	Through March 2007, NABI had delivered 74 of the 94 buses in this order. The final 20 buses in this contract are expected to be delivered by June 30, 2007.
5	75 Quantity 40' Bus Option FY05*	201027	27,845,499	-	2,154,501	30,000,000	30,000,000	-	Working on retrofit campaigns. Project is scheduled to be closed out by June 30, 2007.
6	HONG Demonstration Project	201033	231,239	325,000	702,053	1,258,292	1,258,292	-	Fueling facility still under construction. Activity on this project will increase after the fueling facility has been activated.
7	Study: 45' Composite Buses for 2008	201034	42,752	-	463,248	506,000	506,000	-	Metro continues discussions with vendors for this product. Depending on industry interest, staff may initiate an RFP for composite 45' buses during the fourth quarter.
8	Subtotal for Bus Acquisition		269,944,633	14,862,199	9,564,085	294,370,917	294,370,917	-	

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Los Angeles County Metropolitan Transportation Authority
Capital Program Variance Report - Life of Project
For the period ended March 31, 2007



Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
1 Union Division (T31-Formerly Division 10 Expansion)	202001	348,035	299,600	4,299,365	4,947,000	4,947,000	-	Initial draft of NEPA/CEQA document (minus traffic studies) was received for review December 2006 and approved by staff in January 2007. Final draft has been delayed due to LADOT traffic study, but is expected by June 2007. Staff will apply for Federal 5307 funds in May 2007.
2 RRC General Building Modifications	202006	620,815	25,312	471,777	1,117,904	1,117,904	-	Design for additional RRC tasks is ongoing. Procurement will begin in the fourth quarter.
3 In-ground Bus Hoist Replacement	202007	6,168,994	1,363,893	748,113	8,281,000	8,281,000	-	The Division 3 and 9 hoist contract was awarded in January 2007. Underground utility surveys and engineering designs will be conducted in the fourth quarter.
4 FY06 Division Lighting Program	202009	1,046,000	20,396	131,649	1,198,045	1,198,045	-	Project has been completed. Close-out is underway.
5 New Division 9 Transportation Building and Facilities Improvements	202014	14,630,841	1,439,808	429,351	16,500,000	16,500,000	-	Construction is 90% complete as of March 31, 2007. The exterior is complete, and interior finishing work is in progress. Tentative substantial completion date is May 7, 2007. Opening forecasted for July 2007.

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Los Angeles County Metropolitan Transportation Authority
Capital Program Variance Report - Life of Project
For the period ended March 31, 2007



Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/Decrease	Comment
			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
6 Temple & Beaudry Layover Facility	202016	334,253	9,502	-	343,755	1,692,000	(1,348,245)	Environmental studies were completed by March 2007, and staff is currently reviewing the final version. The project as currently envisioned has been canceled due to impending joint development, which will include construction of a new layover facility. After completion of the environmental milestone, all further work is deferred pending the aforementioned joint development or pending alternate usage of funds, such as construction of a permanent restroom facility further south at Beaudry and 4th/5th.
7 Division 7 Facility Improvements	202017	3,985,394	706,078	408,528	5,100,000	5,100,000	-	Preliminary design concept work for the soundwall project was completed October 31, 2006. Design/Build bids for construction of the soundwall were received in February 2007. All bids received were over budget and thus rejected. To keep costs under budget, staff has elected to complete 100% design work in-house. A new document will be issued for bids in July 2007.
8 Division 2 Maintenance - Maintenance Bldg. Modernization	202018	1,616,777	7,190	26,032	1,650,000	1,650,000	-	Chassis wash at Division 2 was completed December 2006. Equipment was accepted by Metro in February 2007. Project is now complete and will be closed out in the fourth quarter.

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Los Angeles County Metropolitan Transportation Authority
Capital Program Variance Report - Life of Project
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			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
9 Division 6 Soundwall*	202019	541,894	-	262,106	804,000	804,000	-	Project funding will be held for potential usage as part of Division 6 Land Exchange Project (pending legal outcome).
10 El Monte Transit Station Enhancements	202021	1,874	-	113,126	115,000	115,000	-	Metro will be meeting with Foothill Transit and other stakeholders to define a SOW, along with joint development of the El Monte Transit Village. There is no current plan to expend dollars in FY07, but this is a BOS grant that cannot be used for alternate projects.
11 FY07 UST Replacement	202026	717,843	1,380,759	361,398	2,460,000	2,460,000	-	Completed Division 3 manhole and regrading; completed Division 7 waste oil tank system removal; initiated Division 5 UST removal & upgrades. Fourth quarter: anticipate completing Division 5 UST removal and upgrades; starting UST removal and upgrade at Division 15
12 FY07 Bus Facility Contingency Projects	202036	-	-	1,604,000	1,604,000	1,604,000	-	Funds have been used for the following new CP's: (1) Alternate Division Site Study, (2) Division 6 Improvements (Phase I), (3) Emergency Eyewash Stations, (4) Maple Lot Loop Detectors, and (5) M3 Upgrades. The funds in this CP are set aside for contingency usage as needs arise. Additional projects are currently in analysis, design, or design review. For example, plans for the fourth quarter include the installation of an emergency generator at Division 6.

* Indicates a carryover project previously scheduled to complete in FY06.

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Capital Program Variance Report - Life of Project

For the period ended March 31, 2007



Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
13 FY06 Bus Division Maintenance Equip.*	202040	944,118	66,592	64,290	1,075,000	1,075,000	-	Shop heaters at Divisions 8 and 15 were completed in October 2006, and Division 2 Chassis Washer completed testing and final signoff in March 2007. Project has been completed and will be closed out.
14 FY07 Bus Division Maintenance Equip.	202041	236,101	1,152,967	765,932	2,155,000	2,155,000	-	Division 7 Bus Washer contract was awarded November 2006. Design work is 50% complete and construction will start in October 2007. Design work for other remaining tasks is ongoing.
15 FY07 Bus Division Amenity Improvement Project	202056	692,423	243,496	213,081	1,149,000	1,149,000	-	Division 1, 5, 7, and 10 renovation project was completed in January 2007. Remaining work at Division 18 is currently in design phase, and procurement tasks are scheduled to start in June 2007.
16 Articulated Bus Facility Modifications	202065	4,555,094	319,577	1,766,329	6,641,000	6,641,000	-	Modification work for Divisions 1, 3, 9, and 18 completed in January 2007. The Division 1 maintenance expansion project was awarded in September 2006, and design review is complete. Physical construction at Division 1 started in January 2007 and will be complete in July 2007. Design work for remaining tasks is ongoing.
17 Division 1 Expansion	202066	11,285,594	169,199	119,207	11,574,000	11,574,000	-	This project partially funds the Division 1 maintenance expansion project. The construction contract was awarded in September 2006. Physical construction at Division 1 started in January 2007 and will be complete in July 2007.

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			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
18 Division 6 Relocation	202076	563,380	-	-	563,380	12,497,000	(11,933,620)	This project is currently in litigation. Funds will be programmed by Board action to an alternate capital project.
19 Division 4 Expansion & Pavement Project	202092	2,515,466	-	5,534	2,521,000	2,521,000	-	Project was completed in February 2007. Final contract closeouts will be completed by June 2007.
20 Furniture for New Transportation Division 9 and Sector Office Building	202122	447	990,000	-	990,447	990,000	447	Readiness review was completed January 2007, and the contract was out to bid in February 2007. The contract will be awarded in April 2007 and installation will start July 2007.
21 Install New A/C @ Div. 7 & 18*	202164	801,264	-	-	801,264	750,000	51,264	Project completed. There are no further deliverables. Staff will complete a funds transfer to offset over-LOP variance and close project in anticipation of receiving liquidated damages. The contractor fell behind schedule and failed to perform obligations under contract, requiring Metro to incur additional costs to complete project.
22 Metro Art Enhancements*	202166	419,646	29,083	166,271	615,000	615,000	-	Third quarter: issued RFP; fourth quarter: award contract
23 Wayfinding and Customer Information Improvements at Major Transfer Centers*	202167	401,691	-	10,309	412,000	412,000	-	Third quarter: close out activities; fourth quarter: close out activities and fiscal year end accounting adjustments.

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24	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Bus Facilities Improvements									
24	490 Bauchet Street Construction*	202168	2,600,167	-	273,833	2,874,000	2,874,000	-	Remediation of the Metro-purchased site was completed in December 2006. A closure letter was expected in March 2007, at which time Metro planned to close the real estate transaction. The letter has not been received but is expected by June 2007.
25	Division 5, 10, & 18 Renovations	202181	1,624,022	13,829,693	2,878,872	18,332,586	18,332,586	-	Separate construction contracts were awarded this quarter (for a total of 15 active contracts), and most have started physical construction. The new contracts include hoists, building upgrades, HVAC replacements, bus exhaust systems, paint booths, and security upgrades.
26	Articulated Bus Facility Modifications -- Phase II	202204	49,019	2,000,000	1,331,029	3,380,048	3,380,048	-	The design/build contract for the Division 1 Maintenance Bldg. expansion was awarded September 2006, and physical construction started December 2006. Division 1 Project will be complete in July 2007. Design activities for the remaining tasks are in progress.
27	490 Bauchet St. Storage Building Construction	202205	338	20,500	-	20,838	2,708,000	(2,687,162)	Upon further analysis of the project, the project as conceived and budgeted is not feasible. A new replacement project (CP 202246) has been budgeted as part of the FY08 budget, scheduled for Board action in June 2007.
28	Metro Bus Division CCTC System	202206	389,722	99	-	389,821	390,000	(179)	Project was completed in the second quarter of FY07.
29	Kiosks for Orange Line and Other Locations	202207	-	200,000	50,000	250,000	250,000	-	No deliverables in the third quarter. Kiosks anticipated to be purchased and received in the fourth quarter.

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Bus Facilities Improvements								
30 LASD Data Network for Kiosks	202208	-	11,100	49,900	61,000	61,000	-	Third quarter: no activity; fourth quarter: scheduled to receive computers for LASD.
31 ATMS Bus GPS for LASD Dispatch-ROC	202209	4,646	108,810	186,544	300,000	300,000	-	Third quarter: received three quarters of the hardware; fourth quarter: the balance of the equipment will be received.
32 Alternate Division Site Study	202220	71,551	10,000	893,449	975,000	975,000	-	Final master plan for LAX site was submitted to Metro October 2006. Talks with FAA and LAVA have been successful, and a "letter of no objection" was received from FAA in April 2007. Lease negotiations are ongoing, and staff hopes to conclude them in June 2007.
33 Division 18 Solar Energy Project	202237	43,299	4,185,000	771,701	5,000,000	5,000,000	-	The contract documents were advertised for bidding on November 24, 2006. Bids were received in February 2007. Contract was awarded in March 2007. Design will start April 2007, and construction will start in late summer 2007.
34 Division 6 Improvement Project (Phase I)	202245	96,692	350,000	153,308	600,000	600,000	-	Prioritization, field studies, and initial design work were completed in December 2006. Design work for first contract (dispatch / office / lighting / ceiling upgrades) has been completed and will be issued for bid in May 2007. Design work for planning retrofit will be completed June 2007.
35 Installation of Emergency Eyewash Stations	202247	6,967	152,000	141,033	300,000	300,000	-	All design work was completed in November 2006 and was submitted to Procurement in January 2007. A contract will be awarded May 2007.

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			Encumbrance	Balance of Project Costs				
Bus Facilities Improvements								
Maple Lot Loop Detectors	202248	86,762	-	238	87,000	87,000	-	Signed agreement with MJW Investments for installation of the loop detectors in December 2006. The loop detectors were installed January 2007, and the Maple Lot parking structure opened for business February 18, 2007. Project complete and will be closed out.
Subtotal for Bus Facilities Improvements		57,401,130	29,090,654	18,696,305	105,188,089	121,105,583	(15,917,494)	

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			Encumbrance	Balance of Project Costs				
Bus Maintenance								
1 FY07 Bus Midlife Program	203004	10,416,926	-	6,646,019	17,062,945	17,062,945	-	50 bus midlife overhauls were completed during the quarter, for a total of 147 completed YTD through the end of the third quarter. 53 bus midlife overhauls are scheduled to be completed during the fourth quarter.
2 FY06 Replace Regional Rebuild Center Shop Equipment*	203009	133,922	266,350	160,728	561,000	561,000	-	Paint shop manlifts: Board approval obtained, contract awarded, and order placed.
3 FY07 Replace Regional Rebuild Center Shop Equipment	203010	27,101	346,490	200,409	574,000	574,000	-	Pressure washer procurement and delivery complete. Paint shop manlifts, anchor posts, TIG welding machine, and cut off saw are in process and scheduled to be complete in fourth quarter. Mobile bus lifts, which have been encumbered for \$240k, may not be completed until FY08.
4 Subtotal for Bus Maintenance		10,577,948	612,840	7,007,157	18,197,945	18,197,945	-	

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IT_Communications								
1 ITS Telecommunications Transmission Replacement Proj.	207010	653,307	60,464	8,827,230	9,541,000	9,541,000	-	Bids for equipment and services are coming in higher than originally budgeted. The exact increase cannot be calculated yet until the final vendor has been chosen. We are still in the procurement process. We anticipate needing to go to the Board for approval to increase the LOP. Third quarter: procurement phase of the project, evaluating bids and vendor design specifications. Procured a copy/plotting/scanner system to support the project. Fourth quarter: choosing a vendor and preparing a board report.
2 FY07 Application Platform Upgrade	207018	182,807	317,000	20,321	520,128	598,000	(77,872)	3rd Quarter - no deliverables completed. 4th Quarter - payroll upgrade system enhancements, Oracle advanced benefits enhancements to be installed.
3 FY07 Workstation and Network Technology Refresh Program	207023	473,110	-	-	473,110	466,394	6,716	The project is currently over LOP by \$6,716 due to incorrect labor charges. This will be corrected.
4 FY06 Maintenance and Material Mgmt. System Upgrades*	207036	761,415	832	243,753	1,006,000	1,006,000	-	Third quarter: project delayed due to delays in software upgrades from the vendor. Fourth quarter: complete the software upgrade of the Hansen Spear Maintenance and Material Management System to level 4.1. This upgrade will provide additional features, improved response time and quicker report development performance.

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			Encumbrance	Balance of Project Costs				
IT_Communications								
5 Customer Center Security & Information Enhancements*	207048	129,318	164,320	48,362	342,000	342,000	-	Third quarter: continue to receive and install security equipment. Fourth quarter: continue to receive and install security equipment.
6 Transit Operator Activity Scheduling and Tracking	207061	777,309	2,395,717	4,507,974	7,681,000	7,681,000	-	Completed during 3rd quarter: 1. Specifications for Schedules Module upgrade substantially completed. 2. Server Hardware upgrade initiated. 3. Oracle software licenses procured. 4. Completed specification discussion for interfaces, control process, administrator process, and markup process. 5. Developed requirements for payroll interface.
7 ATMS Pink Letter Enhancements	207063	11,668	142,014	58,318	212,000	212,000	-	Fourth quarter: continue to implement the ATMS Pink Letter software enhancements to the OrbCAD schedule import tool. Project is scheduled to be completed in the first quarter of FY08.
8 Additional Digital Voice Loggers for BOC	207064	2,709	41,671	71,620	116,000	116,000	-	Third quarter: no deliverables. Fourth quarter: scheduled to receive the additional digital voice loggers.
9 Subtotal for IT_Communications		2,991,644	3,122,018	13,777,577	19,962,394	19,962,394	(71,155)	

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			Encumbrance	Balance of Project Costs				
Major Construction								
1 Metro Gold Line Eastside Extension	800088	524,481,040	294,175,677	80,157,283	898,814,000	898,814,000	-	Deliverables completed in third quarter: final design for the design/build portion of contract CO803, began delivery of running rail to the rail welding facility, began rail installation, began tunnel invert slab construction, began Boyle Heights / Mariachi Plaza, Atlantic & East LA Civic Center Stations construction. Deliverables to be completed in the fourth quarter: complete all Design Approved for Construction (AFC), complete 1st Street widening from Alameda St. to Vignes St., complete West Portal Structure, complete Mechanically Stabilized Earth Wall from Commercial St. to Alameda St., complete tunnel cross passage construction.
2 Orange Line	800112	269,626,262	8,521,012	34,852,726	313,000,000	313,000,000	-	Continued closeout activities of Design/Build contract CO675.
3 SFV East-West Bikeway Project	800114	9,044,266	183,685	872,050	10,100,000	10,637,860	(537,860)	Continue close-out activities with Design/Build contractor CO675. Project anticipated to be completed under LOP.
4 Canoga Station Park and Ride Project	800117	21,822,849	2,217,561	1,959,590	26,000,000	26,000,000	-	Continue close-out of major construction contract CO739.

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			Encumbrance	Balance of Project Costs				
Major Construction								
Lankershim Depot Restoration Project	800118	17,163	23,574	3,559,263	3,600,000	3,600,000	-	Deliverables completed in the third quarter. On-going negotiations in order to execute funding agreement. Deliverables to be completed in the fourth quarter. Complete negotiations and execute funding agreement, commence preliminary work on required professional service procurement actions.
Light Rail Vehicle Fleet Enhancement	800151	55,533,693	6,532,365	90,852,942	152,919,000	152,919,000	-	Third Quarter: The first three production vehicles arrived at Division 21. Prototype testing of the vehicles continued on Metro rail lines. Metro and AnsaldoBreda met and resolved numerous issues regarding proof-of-design testing, the list of spares and tooling, and the status of the first three production vehicles. Fourth Quarter: We expect that 10 to 20 carshells will be shipped from AnsaldoBreda, Italy to AnsaldoBreda's Pittsburg, CA final assembly facility. Anticipate the delivery of 6 vehicles to MTA in the fourth quarter.
MGL Eastside Extension Enhancements	800288	6,017,314	5,446,392	10,536,294	22,000,000	22,000,000	-	Third Quarter: completed soil remedial work on the Alma Avenue properties, completed the Land Exchange Agreement with LAUSD for the rebuild of ROHS, complete demolition of existing buildings adjacent to Indiana St. Fourth quarter: continue work on urban design elements.
Green Line Closeout	809023	58,400	36,233	191,367	286,000	286,000	-	

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			Encumbrance	Balance of Project Costs				
Major Construction								
9 MRL Seg. 2 Closeout	809081	3,912,576	1,001,375	7,854,967	12,768,918	15,307,000	(2,538,082)	The LOP for this project will be reduced due to a favorable claim settlement payment from Allianz Insurance for the claim of the Metro Red Line Segment 2 builder's risk policy for damages to two subway stations arising out of the El Nino storms of 1997 and 1998.
10 MRL Segment 3 North Hollywood Closeout	809082	1,066,923	174,343	2,397,734	3,639,000	3,639,000	-	Completed terrazzo repairs on the Hollywood walk of fame in collaboration with the Hollywood Historic Trust, the City of LA, and the Hollywood & Highland Center. Legal Counsel to continue work on resolving several outstanding claim litigation cases during the fourth quarter.
11 Eastside Extension Deferred Closeout*	809084	61,695	-	213,305	275,000	275,000	-	
12 Subtotal for Major Construction		891,642,181	318,312,217	233,447,521	1,443,401,919	1,446,477,860	(3,075,941)	

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			Encumbrance	Balance of Project Costs				
Non-Revenue Vehicles								
1 Bus System Support Replacement Non-Revenue Vehicles*	208002	3,270,701	223,455	840,000	4,334,156	5,966,000	(1,631,844)	Two vehicle procurements in process, procurement of non-revenue vehicle equipment scheduled for the fourth quarter. Project will be completed under the approved LOP.
2 Bus System Expansion Non Revenue Vehicles*	208003	144,222	97,736	-	241,958	227,000	14,958	The final vehicle procured in this project is due to be delivered at the end of June 2007. The encumbrance will be reduced to \$82,500, resulting in a final cost under the approved LOP.
3 Rail Support Replacement Non Revenue Vehicles*	208004	1,538,171	265,000	-	1,803,171	1,841,000	(37,829)	Third quarter: equipment received and paid for. Fourth quarter: award contract for the final truck in this project. The project will be completed under the approved LOP.
4 FY06 Bus System Support Replacement Non-Revenue Vehicles*	208005	256,501	507,000	476,000	1,239,501	1,242,000	(2,499)	Third quarter: completed specification updates and prepared documents for bid process. Staff anticipates that MTA will receive the vehicles during fourth quarter.
5 FY07 Bus System Support Replacement Non-Revenue Vehicles	208006	62,251	2,789,500	40,800	2,892,551	2,950,000	(57,449)	Third quarter: solicited for bid and received bid packages from vendors. Fourth quarter: obtain Board approval to proceed with procurement and to award contract(s) to eligible dealers and start receiving vehicles.
6 FY06 Bus System Expansion Non Revenue Vehicles*	208010	65,463	-	1,019,537	1,085,000	1,085,000	-	Third quarter: original requisition pulled for technical specification adjustments. The requisition will be resubmitted in the fourth quarter.

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			Encumbrance	Balance of Project Costs				
Non-Revenue Vehicles								
FY07 Rail Support Replacement Non Revenue Vehicles	208016	51,362	777,000	103,500	931,862	934,000	(2,138)	Procurements to implement this project are currently in the bidding process. The majority of contracts have been awarded. Staff expects delivery of vehicles during the fourth quarter.
Subtotal for Non-Revenue Vehicles		5,388,672	4,659,691	2,479,837	12,528,199	14,245,000	(1,716,801)	

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			Encumbrance	Balance of Project Costs				
Other Capital Projects								
1 Homeland Security Project*	200018	2,147,196	1,085,131	-	3,232,328	3,179,000	53,328	Third quarter: no activity. This project is essentially complete. There are approximately \$51,000 in unauthorized labor charges that will be reversed this quarter leaving the project with a potential overrun of about \$2,000. If necessary, a request to increase the authorized LOP will be processed.
2 Universal Fare Collection System	200225	79,704,411	11,113,886	6,788,703	97,607,000	97,607,000	-	Third quarter: successfully piloted the three types of Transit Access Pass (TAP) cards: (1) annual passes, (2) business passes purchased by corporations for their employees and (3) institutional passes purchased by organizations for their members; continued credit/debit testing and the close out of the punch list items. Fourth quarter: scheduled to install contract services equipment and continue contract close out of the Universal Fare System base contract.
3 Regional Service Center and Clearinghouse	200351	6,419,296	9,749,469	3,902,913	20,071,678	20,071,678	-	Third quarter: completed first round of final design review with contractor; contractor resubmitted final design documents for review and successfully piloted all three forms of the Transit Access Passes: annual passes, business passes and institutional passes. Fourth quarter: complete final design review with contractor; continue support of the Transit Access Pass programs and prepare for the roll-out of MetroMail and the consignment employer accounts to TAP.

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			Encumbrance	Balance of Project Costs				
Other Capital Projects								
4 Installation of Barricades	204060	-	224,590	410	225,000	225,000	-	This is a Homeland Security project to install security barricades in the Gateway parking structure. No deliverables in the third quarter. Board approval received for this item on April 30, 2007. Project is set to begin in June 2007 and is expected to be completed by September 2007.
5 Pan/Tilt/Zoom Cameras for Gateway Center	204061	-	119,519	481	120,000	120,000	-	No deliverables in the third quarter FY07. Board approval received for security surveillance cameras and card readers on April 30, 2007. Project is set to begin in June 2007 and is expected to be completed by September 2007.
6 Gateway Headquarters Improvement Projects	210008	2,726,445	49,730	57,825	2,834,000	2,834,000	-	Invoices received and paid for work to integrate lighting with the Building Management System. Cameras received and paid; installation scheduled in the fourth quarter.
7 Gateway Security Improvements*	210050	558,426	-	-	558,426	598,426	(40,000)	The project has been completed.
8 East Portal and Parking Garage Upgrades	210062	416,000	-	84,000	500,000	500,000	-	Transfer to Prologis of \$116,000 processed in January 2007 for energy upgrades. Continue energy upgrades in east portal and parking garage during fourth quarter.

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Other Capital Projects								
9 Metro Connections Customer Service Improvements	210078	632,526	213,491	84,982	931,000	931,000	-	Third quarter: solar-powered bus stop lights contract was awarded; solar powered bus stop lights and double sided map cases were received and 85% of single sided map cases were installed. Fourth quarter: continue installation of the solar powered bus stop lights, the single sided map cases and double sided map cases.
10 High Rail Emergency Response Vehicle	210079	-	-	240,000	240,000	240,000	-	Fourth quarter: scheduled to receive high rail security vehicle.
11 Subtotal for Other Capital Projects		92,604,300	22,555,817	11,159,314	126,319,432	126,306,104	13,328	

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Rail Facilities Improvements							
1 Division 20 Improvements*	204003	950,265	16,842	-	950,000	17,106	Third quarter: received furniture. Fourth quarter: close out project. Approximately \$23,000 in incorrect charges will be corrected during closeout so project should complete at approximately \$6,000 less than the authorized LOP.
2 ROC Reconfiguration	204004	2,146,348	21,614	3,219,038	5,387,000	-	Third quarter: completed evaluation of consoles. Fourth quarter: plan to purchase materials necessary for the reconfiguration.
3 MRL Station Canopies	204006	279,046	787,898	5,519,056	6,586,000	-	Third quarter: hired consultant STV, Inc. Fourth quarter: consultant scheduled to complete canopy design.
4 Division 11 Improvements	204009	16,577,821	461,129	356,550	17,395,500	-	Third quarter: achieved substantial completion. Fourth quarter: complete punchlist & closeout.
5 MBL Long Beach Transit Mall Station Redesign for 3-Car Train Operation	204010	894,371	271,622	360,007	1,526,000	-	Third quarter: received as-built drawings. Fourth quarter: complete review of drawings.
6 Rail Systemwide Safety Improvements*	204012	515,350	490,931	1,066,719	2,073,000	-	Third quarter: completed installation of 59 Long Beach LED Flashing Train Signs and signage for Avenue 33 (RESR 06-037). Fourth quarter: complete installation of center line fencing (RESR 06-038) in the city of Long Beach and complete installation of the railing at the Avenue 33 (RESR 06-037) station.
7 Vermont/Santa Monica Sta. Underground Water Mitigation	204016	409,747	184,056	689,197	1,283,000	-	Third quarter: completed installation of two water wells. Fourth quarter: scheduled to complete analysis of water and soil samples; contractor should complete 60% of the pumping system design.

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			Encumbrance	Balance of Project Costs					
Rail Facilities Improvements									
8	Division 21 Improvements*	204017	1,657,232	88,832	753,936	2,500,000	4,500,000	(2,000,000)	Third quarter: contract closeout started. Fourth quarter: scheduled to receive final archeological report from contractor. The only remaining work is to pay the consultants who are working on the registration of the Zanja Madre (uncovered during construction) as a historic artifact (National Registry of Historic Places). The project should close out at about \$2,000,000 under the authorized LOP.
9	FY07 Rail Facilities Improvements Contingency Projects	204030	-	-	681,000	681,000	681,000	-	Third quarter: \$25,000 was transferred from the rail contingency project to fund project 205048 (Division 20 Traction Power Laboratory and Equipment for Transportation Systems Engineering).
10	MRL Seg-2 & 3 Station PLC and EMP Upgrade	204035	47,029	-	1,078,971	1,126,000	1,126,000	-	Third quarter: received simulation workstation and development software. Fourth quarter: scheduled to set up work station and install and test software.
11	Division 22 Improvements - Phase II	204037	908,098	2,037,741	1,949,161	4,895,000	4,895,000	-	Third quarter: no activity due to vendor delays. Fourth quarter: scheduled to receive loop detectors for the crossover track and award the contract for the wheel truing machine pit.
12	Completion of Metro Blue Line Art Program*	204042	558,294	333,000	42,706	934,000	934,000	-	Third quarter: issued RFP. Fourth quarter: award contract.
13	Completion of Metro Green Line Art Program*	204043	28,637	116,288	25,075	170,000	170,000	-	Third quarter: issued RFP. Fourth quarter: award contracts.

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			Encumbrance	Balance of Project Costs				
Rail Facilities Improvements								
14 Project Guardian*	204046	6,434,055	73,500	-	6,507,555	6,000,000	507,555	Project has been completed. A \$544,000 credit due from the vendor will eliminate the current budget overrun. The credit will post in April and the project will close approximately \$30,000 below authorized LOP.
15 Division 20 Carwash & Cleaning Platform	204047	73,230	-	15,326,770	15,400,000	15,400,000	-	Third quarter: drawings for cleaning platforms completed except for utilities; preliminary engineering Computer Aided Design & Development support contract was completed and invoiced. Fourth quarter: scheduled to complete the noise study for the carwash and complete the preliminary drawings for the utilities, plumbing, and the vacuum system for the new cleaning platform.
16 FY07 Rail Systemwide Safety Improvements	204052	34,043	-	224,957	259,000	259,000	-	Third quarter: all previously planned tasks were completed. Fourth quarter: no activity anticipated until the next Safety Committee meeting in June when new safety improvement recommendations will be presented.
17 Division 21 Improvements - Phase II	204053	272,161	94,810	4,633,028	5,000,000	5,000,000	-	Fourth quarter: scheduled to complete environmental studies and the research to locate storm drains, oil lines and utilities that may be present at the current proposed site.

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18	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Rail Facilities Improvements									
18	Division 20 Additional Vehicle Hoists	204054	42,498	-	4,207,502	4,250,000	4,250,000	-	Third quarter: drawings and equipment specifications were completed and the procurement process was initiated. Fourth quarter: staff plans to present and obtain Board approval required for sole source procurement of the essential equipment.
19	Work Station additions to RFS Div. 20 Offices*	204057	126,131	8,914	-	135,045	135,000	45	Third quarter: received final pieces of equipment for office panels. Fourth quarter: intend to pay outstanding invoices and request an increase to the LOP of \$45.
20	Division 22 Paint Booth*	204059	6,345	-	143,655	150,000	150,000	-	Third quarter: completed scope of work draft and site visit and measurements required for design work. Fourth quarter: scheduled to finalize scope of work and engineering design plus initiate procurement of materials.
21	MRL Variable Message Sign Upgrade	204062	3,245	1,200,000	1,248,597	2,451,842	2,451,842	-	Third quarter: awarded contract. Fourth quarter: expect to receive schedule of deliveries and receive all equipment for installation at first location (Union Station).
22	ROC Security Enhancements	204063	3,735	54,000	290,265	348,000	348,000	-	Third quarter: prepared MTA trailer for LASD use. Fourth quarter: intend to issue PO for perimeter security system equipment and consoles.

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			Encumbrance	Balance of Project Costs				
Rail Facilities Improvements								
23 VERMONT / BEVERLY MRL STATION DOUBLE PUMP SYSTEM INSTALLATION*	204064	10,871	50,000	12,129	73,000	58,000	15,000	Third quarter: advertised project for bid. Fourth quarter: plan to evaluate bids and award the contract. This project is currently expected to need an increase of \$15,000 in the Authorized LOP because the cost of preparing the bid documents was not included in the initial budget request.
24 UPS System & Backup Generator for Loc 61 - Bldg A	204082	-	-	294,000	294,000	294,000	-	Third quarter: project was initiated by RESR 07-011 and is being funded by a transfer of \$294,000 from the Rail Facilities Contingency Project. Fourth quarter: scheduled to complete procurement specifications for the uninterrupted power supply system and generator.
Subtotal for Rail Facilities Improvements		31,978,553	6,291,179	42,122,316	80,392,049	81,852,342	(1,460,293)	

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			Encumbrance	Balance of Project Costs				
Rail Vehicle Maintenance								
1 Breda Rail Car Retrofit	206004	1,705,013	304,041	332,946	2,342,000	2,342,000	-	Third quarter: continued to retrofit vehicles as scheduled. Fourth quarter: intend to complete retrofit work of the 52 pairs of vehicles and complete the Roll Back System upgrade.
2 P2000 Vehicle Signaling Package Upgrade	206005	85,453	-	3,278,547	3,364,000	3,364,000	-	Third quarter: worked on preparing bid package. Fourth quarter: intend to finalize bid package and advertise for bids.
3 FY07 Metro Red Line Vehicle Midlife Overhaul	206019	13,691	-	524,309	538,000	538,000	-	Third quarter: accepted delivery of all gear boxes at Division 20; engineering verified and confirmed receipt. Fourth quarter: plan to pay all remaining invoices related to this project.
4 FY07 RFS Tools and Equipment	206023	96,711	93,591	101,698	292,000	292,000	-	Third quarter: issued PO for scissor lifts and electric burden carts. Fourth quarter: plan to order final piece of equipment and pay invoices.
5 Subtotal for Rail Vehicle Maintenance		1,900,867	397,632	4,237,501	6,536,000	6,536,000	-	

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			Encumbrance	Balance of Project Costs				
Warehouse								
1 PGL Midway Warehouse - Equipment and Storage*	209003	1,844,105	7,963	57,932	1,910,000	1,910,000	-	Warehouse construction was completed March 30; closeout activities started in the third quarter will continue into the fourth quarter. If there are no unresolved issues between MTA and the contractor, the project should be completed by year end.
2 Metro Red Line Storage Building	209004	884,670	32,895	60,665	978,230	996,641	(18,411)	Completed installation of Stak System (storage system); continue close out activities started in third quarter.
3 Automate Bulk Storage Area	209007	6,843	-	1,022,157	1,029,000	1,029,000	-	This project was delayed and will be carried over to FY08.
4 Security Camera for All Rail Warehouses	209008	395,800	42,001	63,199	501,000	501,000	-	Third quarter: change order for \$21,000 processed in late January to add funds to the contract, allowing cameras to be installed at additional locations (Divisions 22 and 11). Fourth quarter: contract work will be completed.
5 Dock Leveler for RRC*	209009	126,848	2,800	-	129,648	130,142	(494)	Project completed.
6 New Pallet Racking for Bus Divisions*	209011	56,563	82,262	36,333	175,158	175,158	-	The contractor has ordered the required materials. Fourth quarter: new pallet racking scheduled for installation at RRC, followed by installation at bus divisions.
7 New Expansion Pallet Racking at Central Warehouse*	209013	1,992	29,586	-	31,578	35,000	(3,422)	Third quarter: materials were ordered by vendor; Fourth quarter: the vendor is scheduled to install the pallet racking at the Central Warehouse Facility by mid-May and complete the project within a 2 week period.

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	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Warehouse									
8	Install Shipping Awning*	209015	390,199	-	-	390,199	385,000	5,199	Project completed. After invoice corrections are processed, the total cost will be \$42,871 under LOP.
9	Division 3 Replace Warehouse Facility	209027	39,922	79,474	1,484,218	1,603,614	1,603,614	-	Contracted design work on Division 3 was completed resulting in the need to expand the statement of work and increased funding requirements. The fourth quarter will include a requested LOP budget increase for Board approval. This is a 2 year project with the construction phase planned for FY08. The LOP for this project was increased at the April Board meeting.
10	Upgrade Unifload Motor Controls and Positioning System	209032	453,961	534,047	135,992	1,124,000	1,124,000	-	During the fourth quarter, the project will be completed.
11	Sprinkler System for Blue Line Storage Building	209044	28,468	150,000	43,532	222,000	222,000	-	Bids were received in February; a draft copy of the MRB for Award was completed in the third quarter. During the fourth quarter the contract will be awarded, and the vendor will have 90 calendar days to complete the installation of the sprinkler system. This project will be carried over to FY08.
12	Subtotal for Warehouse		4,229,370	961,028	2,904,029	8,094,427	8,111,555	(17,128)	

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			Encumbrance	Balance of Project Costs				
Wayside Systems								
1 Fiber Optic Rail Communication System	205001	801,874	144,501	2,064,625	3,011,000	3,011,000	-	Third quarter: installed fiber optic from Slauson Station to Central Control Facility. Fourth quarter: scheduled to install fiber optic cable from the Washington Station to the 7th and Metro Station.
2 Light Rail SCADA System Upgrade	205002	9,277,581	483,335	802,084	10,563,000	10,563,000	-	Third quarter: completed training & initiated project close out. Fourth quarter: complete contract close out. Project is expected to be completed within the authorized LOP.
3 Rail Security Improvements	205004	4,049,025	1,568,449	851,526	6,469,000	6,469,000	-	Third quarter: continued to implement improvements to the Intrusion Detection System. Fourth quarter: scheduled to complete the installation of improvements to the Intrusion Detection System.
4 Rail Communications Systems Upgrade	205005	1,468,205	8,228	855,567	2,332,000	2,332,000	-	Third quarter: received very high frequency (VHF) band radio base stations and low frequency (LF) radio signal combiners. Fourth quarter: scheduled to receive VHF radio signal combiners.

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Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
Wayside Systems								
5 MBL Grade Crossing Improvements	205006	4,088,252	119,165	6,392,583	10,600,000	10,600,000	-	Third quarter: completed rebid and selection of contractor for street closures; all concrete ties were received and stocked. Fourth quarter: scheduled to complete specs and initiate procurement of heavy loader; procure flangeway protection rubber material (300 track feet); complete procurement specs for the speed swing; begin receiving the last articles scheduled for delivery in the contract (which will continue into the first quarter of FY08); and complete crossing upgrades to the concrete crossings and ties at 48th Place and 119th Street.
6 Wayside Systems Tools and Equipment*	205007	361,161	-	-	361,161	358,000	3,161	Third quarter: manlifts were delivered. Fourth quarter: project is essentially complete. Project is expected to be completed at \$3,100 over budget because sales tax was not included in the original estimate. A budget transfer request will be initiated to increase the authorized LOP accordingly.
7 Crossing Gate Equipment Replacement*	205009	1,096,382	-	50,000	1,146,382	1,238,128	(91,746)	Third quarter: initiated close out. Fourth quarter: complete close out. Project is expected to be completed approximately \$90,000 below authorized LOP.

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Project Title	CPI/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
Wayside Systems								
8 Replace Guarded Rail Crossings*	205010	267,452	-	-	267,452	310,000	(42,548)	The remainder of the project is cancelled. Project had been on hold since Union Pacific announced intention to abandon the crossing that was planned to be replaced pending approval of abandonment application by the FTA. Abandonment has been approved and replacement is no longer needed. Existing crossing will be permanently removed.
9 MBL Four-Quadrant Gate Program Expansion	205012	1,351,371	2,091,567	2,212,062	5,655,000	5,655,000	-	Third quarter: executed Memorandum of Understanding with Union Pacific and the City of Compton. Fourth quarter: scheduled to issue Notice to Proceed and issue work order to proceed with staffing, equipment acquisition and initiate installation of the four quadrant gates in the city of Compton.
10 Light Rail Train Tracking Improvements	205014	262,408	-	693,393	955,801	955,801	-	Third quarter: designed and assembled prototype. Fourth quarter: scheduled to begin testing at the Long Beach Transit Mall Station.
11 MRL Seg-1 Remote Terminal Unit (RTU) Upgrade	205017	1,711,230	224,466	709,304	2,645,000	2,645,000	-	Third quarter: remote terminal units were delivered. Fourth quarter: scheduled to perform unit testing.
12 FY06 Wayside Systems Tools and Equipment*	205019	363,467	156,825	52,708	573,000	573,000	-	Third quarter: manlifts were delivered. Fourth quarter: scheduled delivery of the boom lift and trailer.

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Line Item	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
Wayside Systems									
13	FY07 Wayside Systems Tools and Equipment	205020	167,078	93,748	246,174	507,000	357,000	150,000	Third quarter: received Aeroflex radio communications test set. Fourth quarter: scheduled delivery of training simulator, microwave analyzer, cable pulling equipment, electric burden carrier, auto scrubbers, spectrum analyzer, stair climbing dolly, signal track simulator, scissor lift and trailer and the Red Line's public address system test bench. Project is currently expected to be \$150,000 over the Authorized LOP. A request to increase the authorized LOP by \$150,000 is currently being processed.
14	FY07 Wayside Systems Contingency Projects	205030	-	-	707,000	707,000	707,000	-	This is a contingency project so no expenses are permitted. Budget transfer requests are evaluated as the need arises.
15	PGL Traction Power Substations	205034	5,983,345	1,503,340	1,214,314	8,701,000	8,701,000	-	Third quarter: permits were obtained from CalTrans, South Pasadena and Pasadena. Fourth quarter: construction will be started at both sites. Scheduled to complete landscape improvement discussion with the City of Pasadena on the Fairview site and finalize the design.
16	MRL Signal System Upgrade	205037	229,149	266,426	242,425	738,000	738,000	-	Third quarter: accepted delivery of the system and completed the wiring of the equipment. Fourth quarter: make the cutover to the new solid state equipment that replaces the current obsolete relay system and marks the beginning of the six month performance period required of the contractor.

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			Encumbrance	Balance of Project Costs				
Wayside Systems								
17 SCADA Interface for PGL UPS Alarms*	205047	8,850	-	16,150	25,000	15,000	10,000	Third quarter: purchase of the communications equipment was delayed. Fourth quarter: a request will be processed to provide additional funds to complete the purchase of the communications equipment, transmitter and receivers. Once funding is approved, the plan is to procure and receive the equipment and begin installation. An increase in the authorized LOP will be requested due to increases in the cost of equipment and additional labor. The original estimate was too low and did not include a contingency amount.
18 Division 20 Traction Power Laboratory and Equipment for Transportation Systems Engr.*	205048	149,581	-	15,419	165,000	165,000	-	Third quarter: initiated procurement of the workbench. Fourth quarter: intend to procure additional lab equipment and a laptop needed for the digital analysis work.
19 Subtotal for Wayside Systems		31,636,408	6,660,051	17,125,336	55,421,795	55,392,929	28,866	

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