

FEDERAL TRANSIT ADMINISTRATION
PROJECT MANAGEMENT OVERSIGHT PROGRAM

Contract No. DTFT60-04-D-00012

Project No. DG 27-5006

Task Order No. 3

Grantee: METROPOLITAN TRANSPORTATION AUTHORITY
SECOND AVENUE SUBWAY (MTACG-SAS)

REGION II MAJOR CAPITAL PROJECTS

Monthly Report – Part 1 April 2007

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LIST OF ACRONYMS

CSI	<i>Construction Standards Institute</i>
DHA	DMJM+Harris and ARUP
ESWA	Early Systems Work Agreement
FD	Final Design
FEIS	Final Environmental Impact Statement
FFGA	Full Funding Grant Agreement
FTA	Federal Transit Administration
MTA	Metropolitan Transportation Authority
MTACC	Metropolitan Transportation Authority – Capital Construction
NA	Not Applicable
NYCT	New York City Transit
PE	Preliminary Engineering
PMOC	Project Management Oversight Contractor (Urban Engineers)
PMP	Project Management Plan
ROD	Record of Decision
SAS	Second Avenue Subway
SCC	<i>Standard Construction Categories</i>
SSMP	Safety and Security Management Plan
SSOA	State Safety Oversight Agency
SSPP	System Safety Program Plan
TBD	To Be Determined
VE	Value Engineering

SECTION III. SECOND AVENUE SUBWAY (SAS) PROJECT

I EXECUTIVE SUMMARY

A Project Description

- **General Description:** The Second Avenue Subway (SAS) project will connect Manhattan's Central Harlem area with the downtown financial district, relieving congested conditions on the Lexington Avenue line. The current project scope includes: tunneling; station/ancillary facilities; track, signal, and electrical work; vehicle procurement; and all other subway systems necessary for operation. The project consists of four phases, with Phase 1 providing an Initial Operating Segment (IOS) from 96th Street to 63rd Street, and will connect with the existing Broadway Line that extends to Lower Manhattan and Brooklyn. Subsequent phases will extend the line northward to 125th Street and to the southern terminus at Hanover Square in Lower Manhattan.
- **Length:** Phase 1 - 2.3 miles from 63rd Street to 105th Street. Total Project - 8.5 miles from 125th Street and Lexington Avenue in Central Harlem to Lower Manhattan.
- **No. of Stations:** Total Project - 16 new stations. Phase 1 - two new mined stations located at 72nd and 86th Streets, one new cut and cover station at 96th Street, and modification of the existing 63rd Street Station on the Broadway Line.
- **Additional Facilities:** New storage tracks will be provided along the alignment and at the north and south terminals during the later phases of the project, but not as part of Phase 1.
- **Vehicles:** Total Project - Approximately 224 railcars that are 75 feet long (28 new 8-car train sets). Phase 1 - 68 new rail cars (includes 12 spares).
- **Ridership Forecast:** The full length SAS is forecast to carry 560,000 daily riders in 2030. Upon completion of Phase 1, ridership is expected to be 191,000 per the MTA's Regional Travel Forecast Model.

B Project Status

- The project is in the Final Design/Construction phase.

C Schedule

- **Preliminary Engineering (PE):** Entry into PE was approved by FTA on December 20, 2001; PE completed April 17, 2006.
- **Record of Decision (ROD):** Record of Decision issued on July 8, 2004.
- **Final Design (FD):** Entry into FD (Phase 1) was approved by FTA on April 18, 2006.
- **Final Funding Grant Agreement (FFGA):** Anticipated FFGA – Fall 2007.

In advance of the FFGA MTA requested approval of an Early Systems Work Agreement (ESWA) in the amount of \$693 million. The ESWA focused on efforts associated with Contract 1 (Tunnel Boring). The FTA approved the ESWA on January 5, 2007.

- **Construction:** Entry into the Construction Phase was authorized with the approval of the ESWA on January 5, 2007. The first construction contract, Contract 1 Tunnel Boring was awarded on March 20, 2007. A *Ground-Breaking ceremony was held on April 12, 2007.*
- **Project Complete:** Phase 1 Project percent complete is 7.15% (based on total expenditures versus Phase 1 projected cost at completion) through *April 30, 2007.*
- **Revenue Operations Date:**

Phase 1 (MOS)

Proposed FFGA	Proposed FFGA as Amended	Forecast		Actual
		Grantee	PMO	
Fall 2007 ⁽¹⁾	N/A	<i>Dec. 31, 2013</i>	<i>July 2014⁽¹⁾</i>	TBD

(1) Based upon FTA's completion of the Risk Assessment

- **Other:** The Environmental Impact Statement was approved on April 8, 2004.
- **Next Quarterly Review Meeting:** TBD

D Cost Data for Phase 1

	Proposed FFGA Amount (1)		FFGA Amendments	Current Costs (2)		Expenditures Thru (3): April 30, 2007	
	(\$ Millions)	(%)		(\$ Millions)	Percent of Total Current Cost	(\$ Millions)	Percent of Current Project Cost
Total Project Cost:	\$3,838.806		N A	\$3,838.806		\$274.576	7.15 %
Total Federal share:	1,345.300	35.00	N A	\$37.616 (4)		37.616	0.98 %
Total FTA share:	1,300.000		N A	Same			
5309 New Starts share:	1,300.000		N A	\$33.418			
Total Local share:	2,493.506	65.00	N A	TBD		\$236.960	6.17 %
State share:	450.000		N A	TBD			
Agency share:	2,043.506		N A	TBD			

(1) FFGA not yet negotiated. Initially, MTACC will seek a FFGA for Phase 1 only. Amounts based on SCC Funding Sources by Category Worksheet from FY 2008 New Starts submission.

(2) Current cost based SCC Main Worksheet – Build Alternative from FY 2008 New Starts submission.

(3) Financial data provided monthly by MTACC.

(4) Includes \$4.198 million CMAQ Funds.

E Technical Capacity Review

- Project Management Plan (PMP): Updated PMP (Revision 5) for the final design/construction phase of the project was conditionally approved by the FTA on March 22, 2007.
- Project Quality Manual (PQM) Plan: Updated PQM (Revision 2) for the final design/construction phase of the project was approved by the FTA on March 22, 2007.
- Bus Fleet Management Plan (BFMP): Updated BFMP addressing the PMOC concerns was submitted for FTA acceptance on March 23, 2007. FTA acceptance is anticipated in May 2007.
- Rail Fleet Management Plan (RFMP): Updated RFMP addressing the SAS project requirements was submitted for FTA acceptance on March 6, 2007. The FTA gave conditional approval on April 24, 2007.

E. System Safety Review

- The New York State Public Transportation Safety Board, the State Safety Oversight Agency (SSOA), re-certified NYCT's System Safety Program Plan (SSPP) on March 15, 2006 to the revised 49 CFR Part 659 requirements.

G Major Issues/ Problems

- None.

Attachment A- Safety Checklist Second Avenue Subway

Areas of Focus	Y/N	Status
State Safety Oversight Agency		
Does the state have a designated State Safety Oversight Agency (SSOA) as defined in 49 CFR Part 659?	Y	New York Public Transportation Safety Board
If so, does the SSOA's authority extend to pre-revenue operations?	Y	Yes, All Phases.
Has the SSOA established its System Safety Program Standards (SSPS)?	Y	Standards are based on the requirements of 49 CFR Part 659.
Has the SSOA received, reviewed, and approved the Grantee's System Safety Program Plan (SSPP)?	Y	SSPP re-certified on March 15, 2006 per the revised 49 CFR Part 659 requirements.
Does SSOA participate in Project Development? Participation includes things such as: review design documents; attend review meetings; and comment on the how the safety aspects of the project are being addressed	Y	Reference section 2.2.7 of the SAS System Safety & Reliability Plan.
Has the SSOA performed a pre-revenue safety review of the Grantee's project?	N	No
System Safety		
Is the Grantee's overall Safety Program properly documented in its Project Management Plan (PMP)?	Y	See PMP Section 3
Do the Grantee's PMP and associated Safety Program include an appropriate safety policy adopted by its top management?	Y	By approving plan
Do the Grantee's PMP and associated Safety Program establish a specific organizational entity and/or individual responsible for the Safety Program?	Y	See PMP
Do the Grantee's PMP and associated Safety Program specify staffing requirements, procedures and authority for the safety activities?	Y	See PMP Section 3

Attachment A- Safety Checklist Second Avenue Subway

Areas of Focus	Y N	Status
Do the Grantee's PMP and associated Safety Program include a formal Safety Certification Program(SCP)?	Y	See PMP (draft program is available) and SAS System Safety & Reliability Plan
Do the Grantee's PMP and associated Safety Program include the development/use of a Safety Design Criteria Manual or equivalent documents?	Y	See DCM Chapter 26 and SAS System Safety & Reliability Plan
Has the Grantee developed and the SSOA approved the Grantee's SSPP? What is the status of this process between the Grantee and SSOA?	Y	SSPP re-certified on March 15, 2006 per the revised 49 CFR Part 659 requirements.
Is the Grantee implementing its Safety Program as defined in the PMP? Are the safety milestones being met? (Note: This assumes that the Safety Program is properly documented in the PMP.)	Y	See Project Schedule
Construction Safety		
Is the Grantee's Construction Safety Program(CSP) documented in the PMP?	Y	Included in the Construction Phase PMP.
Has the Grantee implemented its CSP?	N A	Will be implemented during Construction
How do the Grantee's OSHA statistics compare to the national average for the same type of work? If the comparison is not favorable, what actions are being taken by the Grantee to improve its safety record?	TBD	Project is in Final Design.
Is the Grantee using wrap-up insurance on this project?	Y	NYCT has decided to use OCIP for Phase 1. MTA's Board approved purchasing the policy in December 2006.
Is the Grantee using safety incentives/disincentives on this project?	TBD	

Attachment A- Safety Checklist Second Avenue Subway

Areas of Focus	Y N	Status
Shared Track		
Does this project have shared track?	N	
Has the Grantee coordinated with FRA regarding waivers for shared track usage?	N A	
Shared Corridor		
Does this project include shared corridor? Please describe the geography of the shared corridor.	N	
What is the Grantee doing to specifically address safety concerns in the shared corridor portion of the project?	N A	

Table 1 – FFGA Application Checklist SAS Phase 1

Document	Agency	Target Date	Status/ Comments
Annual Certs & Assurances	MTA		
Grant Application	MTA	7/2007	
Federal STIP Approval	FTA		
Record of Decision/FONSI	FTA	07/08/04 (A)	
Civil Rights Program Review	FTA		
Project Management Plan	MTA	03/22/07 (A)	Updated PMP (Revision 5) for the final design/construction phase of the project was conditionally approved by the FTA on March 22, 2007.
Quality Management Plan	MTA	03/22/07 (A)	Updated PQM (Revision 2) for the final design/construction phase of the project was approved by the FTA on March 22, 2007.
Safety and Security Management Plan	MTA	08/18/06	MTACC submitted the Safety and Security Management Plan (SSMP) for PMOC review on January 26, 2007. <i>The PMOC met with the SAS team for three days in March 2007 to pass on comments directly in order to expedite this plan. The PMOC will send written comments the first week in May 2007.</i>
Before and After Study Plan	MTA	10/25/06 (A) 04/07	The PMOC received the Before and After Study Plan on October 25, 2006. PMOC review comments were resolved during a meeting with the MTACC in February 2007. A revised plan was submitted for FTA review and acceptance in March 2007. FTA acceptance is imminent.
Rail Fleet Management Plan (RFMP)	MTA	06/02/06 (A)	<i>The FTA gave conditional approval on April 24, 2007.</i>

Table 1 – FFGA Application Checklist SAS Phase 1

Document	Agency	Target Date	Status/ Comments
Bus Fleet Management Plan	MTA	03/16/05 (A)	The Bus Fleet Management Plan was submitted to the FTA for acceptance on March 23, 2007. <i>PMOC comments will be sent in early May 2007.</i>
Real Estate Acquisition Plan (RAMP)	MTA	07/25/06 (A)	The updated RAMP was received on February 22, 2007 and <i>PMOC</i> comments were sent to MTAACC on March 30, 2007. <i>MTA is addressing the comments and may request a conditional approval from the FTA</i>
Interagency and RR/Joint Use Corridor Agreements	MTA	N/A	
Value Engineering	MTA		Completed for Phase 1 of the project.
Spot Report - Risk Assessment	PMOC	TBD	The PMOC held Risk Assessment workshops with MTAACC in March 2007 to review Risk Characterization, Escalation, Contingency and Project Delivery Methods. <i>A Project Execution Strategy workshop was held April 10, 11 & 12, 2007. The Risk Register meeting will be held in May 2007.</i>
Financial Plan	MTA	09/06 (A)	Submitted as part of FY 08 New Starts submission
Financial Capacity Review	F/MOC	03/07	
Department of Labor (13c) Certification	DOL	03/07	
Part I- Full Funding Grant Agreement (FFGA)	MTA	Fall-07	
Attachment 1- Scope of Project	MTA	03/07 (A)	Submitted to FTA
Attachment 1A- Color Map	MTA	03/07 (A)	Submitted to FTA
Attachment 2- Project Description	MTA	03/07 (A)	Submitted to FTA

Table 1 – FFGA Application Checklist SAS Phase 1

Document	Agency	Target Date	Status/ Comments
Attachment 3- Baseline Cost Estimate	MTA	05/07	
Attachment 3A Project Budget	MTA	05/07	
Attachment 4 Baseline Schedule	MTA	05/07	
Attachment 5- Schedule of Prior Grants and Related Documents	MTA	03/07 (A)	Submitted to FTA
Attachment 6- Schedule of Capital New Starts Funds	MTA	03/07 (A)	Submitted to FTA
Attachment 7- Measures to Mitigate Environmental Impacts	MTA	03/07 (A)	Submitted to FTA
Attachment 8- New Starts “Before and After Study”	MTA	03/07 (A)	MTACC submitted the Before and After Study Plan for PMOC review on October 24, 2006, and comments were returned to MTACC in February 2007. MTACC sent the updated plan to the FTA for review and acceptance in March 2007. <i>FTA acceptance is imminent.</i>
Submittal of Grant Application in TEAM(Part II- FFGA included)	MTA	TBD	
Congressional Review	OST	TBD	

II. ACTION ITEMS – ITEMS FOR GRANTEE ACTION

Status of Action Items

The status of Action Items is shown in the following summary chart.

Note: Items marked with a “C” in the “PMO Contractor Status” column will be dropped from future reports.

Key Item

2. XX PMO CLIN5 – Project Management Plan

3. XX PMO CLIN3 – Project Monitoring

Legend

Priority (Pr)	Grantee Action	PMO Contractor Status
1 – Most Critical	D – Remedial Action Developed	R – Review On-going
2 – Critical	A – Remedial Action Approved	C – Completed - No further review required
3 – Least Critical	I – Action Implemented	

Items for Action

Pr	Item	Identification	Nature of Problem	Grantee Action			Comments	Status
				D	A	I		

There are no open items.

III. OBSERVATIONS AND CURRENT ISSUES

General Agency Assessment

Funding and Budget: A total of \$274.576 million has been expended on the project through April 30, 2007 including \$5.455 million on the Manhattan East Side Access (ESA) study and related HS work during the 1995-1999 capital program and \$269.121 million as part of the 2000-2004 capital program

The current project budget of \$337.584 M is for work associated with the consultant, DHA Joint Venture, for PE (\$187 M), Extended PE (\$6.9 M), Final Design (\$116 M), and Construction Phase Design Support (\$27 M). Payments amounting to \$191.403 million for PE and \$34.754 million for Final Design for a total of \$226.158 million have been made to DHA as of April 30, 2007.

Note: The total amount paid for PE was reduced by \$59,426 due to a 2003 Overhead adjustment. One contract modification in the amount of \$44,772.00 has been approved. A summary table of funding and cost allocations is shown on page III-16.

The MTA submitted an Early Systems Work Agreement (ESWA) request to the FTA for Phase 1 of the Second Avenue Subway (SAS) project on October 13, 2006 in the amount of \$693.0 million, which FTA approved on January 5, 2007. Currently, the FTA and MTA have set up a Task Force to expedite the submittal of the FFGA for SAS Phase 1.

Budget Control: MTACC continued to effectively monitor, control, and report project costs and expenditures. The PMOC will continue monitoring MTACC's Budget Control during the Final Design phase and beyond.

Schedule: The following table identifies major project milestones established by the MTACC through a ward of the first construction contract. Not all milestones/activities/events are included.

Activity/ Event	MTACC's Schedule Information	
	Current	Previous Report
FTA Approval of Final Environmental Impact Statement (FEIS)	Apr. 8, 2004 (A)	Apr. 8, 2004 (A)
MTA Board Approval to Advertise First DB Tunneling Contract	Apr. 28, 2004 (A)	Apr. 28, 2004 (A)
Notice of Availability of FEIS in Federal Register	May 7, 2004 (A)	May 7, 2004 (A)
MTACC In-House Risk Analysis for entire Phase 1	June 4, 2004 (A)	June 4, 2004 (A)
Contractor Session for SAS and No. 7 Line Extension	May 25, 2004 (A)	May 25, 2004 (A)
Advertise 1 st Design/ Build Tunneling Contract	June 21, 2004 (A)	June 21, 2004 (A)
Value Engineering 2 nd Stage for Phase 1	June 7, 2004 (A)	June 7, 2004 (A)
Pre-Bid Meeting for 1 st DB Tunneling Contract	July 20, 2004 (A)	July 20, 2004 (A)

Activity/ Event	MTACC's Schedule Information	
	Current	Previous Report
Record of Decision (ROD)	July 8, 2004 (A)	July 8, 2004 (A)
Submit request to enter Final Design (Phase 1)	Sept. 13, 2004 (A)	Sept. 13, 2004 (A)
Revised request to enter Final Design (Phase 1)	Nov. 15, 2005 (A)	Nov. 15, 2005 (A)
PE for the Full Length of SAS Substantially Complete	Dec. 20, 2004 (A)	Dec. 20, 2004 (A)
FTA Approval to Enter Final Design	April 18, 2006(A)	April 2006 (A)
FTA Approval of Early Systems Work Agreement (Approval of ESWA also view as authorization to enter Construction)	Jan 5, 2007 (A)	Jan 5, 2007 (A)
Award Contract for Tunnel Work (1 st Contract)	Mar 20, 2007 (A)	Mar 20, 2007 (A)
Complete Extended Preliminary Engineering	Nov. 30, 2005(A)	Nov. 30, 2005(A)
Complete Final Preliminary Engineering	April 17, 2006(A)	April 17, 2006 (A)
Award Final Design for Phase 1	April 18, 2006 (A)	April 2006 (A)
Anticipated Receipt of Full Funding Grant Agreement	Fall 2007	Fall 2007

Schedule Control: The July 25, 2006 Final Design Baseline Schedule was integrated into the Project Master Schedule and forwarded for PMOC review. *As a result of the Risk Assessment process, it was determined that there was insufficient float to provide a reasonable cushion for unforeseen events. It is anticipated that an additional 6 months float will be added to the project schedule.* The Project Master Schedule is being updated to address the PMOC's concerns and the incorporation of the construction schedule for Contract 1. The update is anticipated to be completed in *May 2007*.

FTA Requirements for Entering Into Final Design

In accordance with the FTA's April 18, 2006 letter approving entry into Final Design, seven technical and financial issues must be addressed during Final Design and resolved prior to FTA entering into a Full Funding Grant Agreement (FFGA). The following list enumerates those items and their current status:

1. **Update and Maintain a Current Project Level Capital Cost Estimate** – In support of the FY08 New Starts Submission, Phase 1 SAS Cost Estimate Revision 5 (dated August 2006) was provided to the PMOC for review. Adjustments have been made in several cost categories as the project has advanced into final design. The estimate as of April 30, 2007 still reflects a total project cost of \$3.838 billion. *However, it is anticipated that MTA will increase the SAS budget as a result of the Risk Analysis*

workshops. MTACC will also adjust the budget line items in May 2007 to reflect the bid amount for Contract 1.

2. **Update and Maintain a Current Safety and Security Management Plan** – MTACC submitted the draft SAS Safety and Security Management Plan (SSMP) to the PMOC on January 26, 2007 and it was reviewed by the PMOC's Safety and Security Specialists. Interviews of key SAS personnel were held on March 27, 28 and 29, 2007 and verbal comments were given to the author on a page by page basis. Written comments will be sent to MTACC in early May 2007. The plan needs to be strengthened in the security area and responsibilities assigned. MTACC has updated the plan and its resubmittal is anticipated in May 2007.
3. **Advance the Project Design and Construction Consistent with the Environmental Mitigation Measures from the FEIS and ROD** – MTACC committed to developing a tracking mechanism to ensure that all environmental mitigation measures, identified in Attachment A of the Record of Decision, are being addressed during Final Design. On July 24, 2006 MTA issued a Technical Memorandum which assessed the impact of design modifications made to Phase 1 since the issuance of the FEIS and the ROD. The assessment was conducted to determine if any additional impacts not discussed in the FEIS and ROD would result from the design revisions. The PMOC concurred with the MTA's conclusion that there were no significant environmental impacts as a result of the refinements. On February 12, 2007, MTA sent Technical Memorandum 2 concerning the 96th Street Station design listing additional changes, which are different than the FEIS scope, that have been made for improvement. A third Memorandum is expected in May 2007. The PMOC will continue to monitor the different contract packages as they advance through final design.
4. **Develop and Implement a Management Plan for Accomplishing the Risk Mitigations** – The MTACC is fully cooperating in the FTA's Risk Assessment Process and its team has actively participated in all of the workshops. Project Execution Strategy workshops were held on April 10, 11 and 12, 2007. The last workshop, Risk Register development, is scheduled for early May 2007. The Risk Management Program concept developed for the East Side Access project was implemented on the SAS project.
5. **Provide the Required Documentation to Support the Current "Medium" New Starts Rating** – The PMOC received the FY 2008 New Starts submission from MTACC on August 30, 2006. The PMOC review of the SCC Worksheets revealed several anomalies associated with the number of required rail vehicles, project description, and SCC Worksheet revision status. Corrections were subsequently made and new worksheets were submitted. The PMOC documented its findings in a Spot report that was issued on October 9, 2006. A copy containing FTA requested corrections was transmitted on October 23, 2006. **This action is considered closed.**
6. **Update the PMP and each Sub-plan as Applicable to Support Future Construction Activities** – Updated PMP (Revision 5) for the final

design/construction phase of the project was approved by the FTA on March 22, 2007.

Updated QMP (Revision 2) for the final design/construction phase of the project was approved by the FTA on March 29, 2007.

7. **Prepare an Acceptable Before and After Study Plan** – The PMOC received the SAS Before and After Study Plan on October 24, 2006. Comments were provided to the SAS Team in February 2007. MTACC officially submitted the Before and After plan to the FTA on March 6, 2007.

April 30, 2007 Funding and Cost Data for the NYCT Second Avenue Subway Project

Project Component	Funding Sources	Funding Allocations to Date (in \$Thousands)			Cost Allocations to Date		
		Funding ID	Federal @ 80% of Total Value (TeamWeb)	Local (TeamWeb)	Total Eligible Cost	Grant Drawdown (TeamWeb)	Current Project Budget
Funding							
MESA Study							
CMAQ	NY-90-X274-01	4,198,400.00	1,049,800.00	5,248,000.00	4,198,400.00		4,198,400.00
MTA Funding (MESA Study)	MAC CF-93		973,427.48	973,427.48			
MTA Funding (MESA Study)	POOL		178,478.06	178,478.06			
Total		4,198,400.00	2,201,505.54	6,399,905.54			
2nd Av EIS/PE							
FTA 5309 New Starts Grant (2nd Av PE)	NY-03-0397	4,980,026.00	1,245,006.00	6,225,032.00	4,980,026.00		4,980,026.00
FTA 5309 New Starts Grant FFY03 (2nd Av PE cont.)	NY-03-0408	1,967,165.00	491,791.00	2,458,956.00	1,967,165.00		1,967,165.00
FTA 5309 New Starts Grant FFY04 (2nd Av PE cont.)	NY-03-0408-1	1,968,358.00	492,090.00	2,460,448.00	1,574,686.00		1,968,358.00
FTA 5309 New Starts Grant FFY06 (2nd Av FD cont)	NY-03-0408-2	24,502,500.00	6,125,625.00	30,628,125.00			
FTA 5309 New Starts Grant FFY06 (2nd ESWA)	NY-03-0408-3	-	-	-			
MTA Funding (2nd Av EIS/PE) - CFY0102	LOCAL		500,000.00	500,000.00			500,000.00
MTA Funding (2nd Av EIS/PE) - CFY03	LOCAL		250,000.00	250,000.00			250,000.00
MTA Funding (2nd Av EIS/PE) - CFY04	LOCAL		250,000.00	250,000.00			250,000.00
MTA Funding (2nd Av EIS/PE)	POOL		259,612,089.28	259,612,089.28			199,898,129.80
Total		33,418,049.00	273,369,612.36	308,784,555.82			209,813,878.80
Total Funding		37,616,449.00	273,369,612.36	308,784,555.82			209,813,878.80

Costs	Base Budget	Current Budget	Vouchered As Of April 30, 2007
EIS for SAS (Incl. Lower Man. Ser. Study)	11,901.30	\$ 12,674,033.00	\$ 10,859,683.13
Preliminary Engineering (I/H)			
Master Plan Development	2,500,000.00	\$ 2,197,642.90	\$ 2,197,642.90
Arch/Eng Services	316,525.00	\$ 316,525.00	\$ 267,940.97
TA Labor Services	1,000,000.00	\$ 975,000.00	\$ 874,588.91
Outside Agencies	50,000.00	\$ 22,960.14	\$ 22,960.14
Property Acquisition	-	\$ 11,000.00	\$ 7,500.00
Preliminary Engineering (I/H)	43,510,000.00	\$ 27,139,110.38	\$ 27,139,110.38
Consultant design	-	\$ 267,559.00	\$ 267,559.00
Consultant Design (PE)	210,452,138.00	\$ 194,099,207.00	\$ 191,404,347.00
PE Consultant Contin. Reserve	-	\$ 2,332,718.00	\$ 44,772.00
Consultant (Final Design)		\$ 116,026,944.00	\$ 34,753,734.57
Consultant (Final Design/Const. Support)		\$ 27,458,735.00	
I/Q Consultant	21,155.00	\$ 1,110,915.22	\$ 1,110,915.22
Artwork	-	\$ 78,000.00	\$ 77,996.00
Miscell.		\$ 92,691.60	\$ 92,691.60
Sub-Total (MESA, EIS, & PE)	257,867,087.30	\$ 390,257,741.24	\$ 274,576,141.82

Project Cost Estimate: Phase 1 SAS Cost Estimate Revision 5 (dated August 2006) was issued in support of the FY 08 New Starts Submission. The estimate was in the CSI and SCC for mats. As the project has advanced further into the final design phase, adjustments have been made in several cost categories. However, the estimate is still at approximately \$3.838 billion. *As a result of the Risk Assessment process, it was determined that the project had insufficient contingency and the cost estimate should be increased to \$4.050 billion. It is anticipated the estimate will be increased by the end of May 2007.* PMOC received the estimate in October 2006 and provided comments to the MFACC. A complete update reflecting the bid price for Contract 1 and addressing the PMOC concerns is anticipated in May 2007. The PMOC will continue to monitor the cost as the design is refined.

Quality Management Update: Update of the SAS Quality Assurance Plan for the FD phase was completed in July 2006 and submitted for PMOC review on August 4, 2006. During November 2006, the PMOC and MFACC resolved all concerns and comments associated with the updated QMP. Revision 2 of the QMP was subsequently issued on November 16, 2006. The FTA sent MFACC an approval letter for the Revision 2 on March 29, 2007.

Design and Engineering Management: Phase 1 will consist of six construction contracts as follows – a tunnel boring contract, four Station contracts (63rd St., 72nd St., 86th St. and 96th St.) and a Systems contract. Two of the stations, 72nd Street and 86th Street, will be mined; the 96th Street station will be cut and cover and the existing 63rd Street station will be modified. MFACC awarded the FD of Phase 1 to DHA on April 18, 2006 at a value of approximately \$143.485 million (\$116.000 million FD and \$27.485 million construction phase design support). Working group meetings are ongoing to support the Final Design of the various contract packages. PMOC continues to monitor these meetings.

Construction Contract #1 (G 26002 Tunnel Boring): Final design was completed by DHA in July 2006. During October 2006, MFACC and NYCT completed its internal review process and advertised the contract for bid on October 26, 2006. A site tour and pre-bid conference were held on November 14, 2006. Two bids were received and opened on January 18, 2007. The bids were \$337.025 million and \$495.077 million. Contract 1 was awarded on March 20, 2007. *A Ground Breaking ceremony was held on April 12, 2007.*

Real Estate: MTA Real Estate has taken the lead in real estate matters related to the SAS project and is responsible for acquiring the real estate interests needed for the project. Property research efforts are ongoing to support the design effort. Property information is necessary to ascertain the owners of record and the current legal descriptions of the parcels. That information is used to define the project limits and to identify suitable parcels on which to locate project structures.

The PMOC's reviewed the updated Real Estate Acquisition Plan (REAP) dated July 2006 and sent their comments to MFACC in October 2007. The revised RAMP was sent to the PMOC on February 22, 2007 and preliminary comments were sent to MFACC on March 30, 2007. The plan *is being updated* in order to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act). The PMOC reviewed the SAS property acquisition files at the MTA's office on April 4 and 5, 2007 *and found the acquisition process and estimated cost to be acceptable.*

The MTA Board approved the purchase of an OCIP Insurance Policy for the SAS at the December 2006 board meeting.

Attachment B- Summary of Concerns and Recommendations

The status of PMO Contractor Concerns and Recommendations is shown in the following summary chart.

Note: Items marked with a “C” in the “PMO Contractor Status” column will be dropped from future reports.

Key Item

Subtask 11A XX **CLIN 0002** – Technical Capacity Review

Subtask 12A XX **CLIN 0003** - Monitor Project Development and Implementation

Legend

Priority (Pr)	Category (Cat.)	Grantee Action (DAI)	PMO Contractor Status
1 – Most Critical	S1 – Scope	D – Remedial Action Developed	R – Review On-going
2 – Critical	S2 – Schedule	A – Remedial Action Approved	C – Completed – No further review required
3 – Least Critical	S3 – Safety/ Security	I – Action Implemented	
	B – Budget	Y – Yes	
	Q – Quality	N – No	

Attachment B-Summary of Concerns and Recommendations

Pr	Item	Identification	Cat	Nature of Concern	PMO Recommendation	Grantee Action			Status	Status
						D	A	I		

There are no open actions.