

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 (MTA-CSS)

REGION II MAJOR CAPITAL PROJECTS

Monthly Report – Part 1 February 2007

Urban Engineers of New York, P.C.

350 Fifth Avenue, Suite 6024

New York, New York 10118

TABLE OF CONTENTS

Page No.

SECTION III SECOND AVENUE SUBWAY PROJECT

TABLE OF CONTENTS	I
LIST OF ACRONYMS	II
I EXECUTIVE SUMMARY	1
A PROJECT DESCRIPTION	1
B PROJECT STATUS	1
C SCHEDULE	1
D COST DATA	3
E TECHNICAL CAPACITY REVIEW	3
F SYSTEM SAFETY REVIEW	4
G MAJOR ISSUES/ PROBLEMS	4
 ATTACHMENT A- SAFETY CHECKLIST SECOND AVENUE SUBWAY	 5
II ACTION ITEMS – ITEMS FOR GRANTEE ACTION	11
III OBSERVATIONS AND CURRENT ISSUES	13
ATTACHMENT B- SUMMARY OF CONCERNS AND RECOMMENDATIONS	18

TABLE

Table 1 – FFGA Application Checklist SAS Phase 1	8
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LIST OF ACRONYMS

DHA	DMJM+Harris and ARUP
ESWA	<i>Early Systems Work Agreement</i>
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
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 railcars (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 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:** Anticipated (Phase 1) *March* 2007. (Contract 1, permission to enter the Construction Phase is based upon FTA approval of the ESWA)
- **Project Complete:** Phase 1 Project percent complete is 698 % (based on total expenditures versus Phase 1 projected cost at completion) through *January 31, 2007*.
- **Revenue Operations Date:**

Phase 1 (MOS)

Proposed FFGA	Proposed FFGA as Amended	Forecast		Actual
		Grantee	PMO	
Fall 2007 ⁽¹⁾	N/A	Dec. 2013 ⁽²⁾	Dec. 2013 ⁽²⁾	TBD

(1) Based upon FTA's completion of the Risk Assessment, (2) Fiscal Year 2008 New Starts Submission

- **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): January 31, 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		\$267.937	6.98%
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		\$230.321	6.00%
State share:	450.000		N A	TBD			
Agency share:	2,043.506		N A	TBD			

(1) FFGA not yet negotiated. Initially, MTA 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 MTA.

(4) Includes \$4.198 million CMAQ Funds.

E Technical Capacity Review

- Project Management Plan (PMP): Updated PMP (Revision 5) for the final design phase of the project was formally submitted for FTA acceptance on January 2, 2007. Revision 5 addresses the PMOC's concerns.
- Project Quality Manual (PQM) Plan: Updated PQM (Revision 2) for the final design phase of the project was formally submitted for FTA approval on January 2, 2007. Revision 2 addresses the PMOC's concerns.
- Bus Fleet Management Plan (BFMP): The PMOC completed its review and reached resolution on all its comments with MTA. On March 10, 2005, the PMOC recommended submission of the document to FTA, and the document was sent to the FTA on March 16, 2005.
- Rail Fleet Management Plan (RFMP): Updated RFMP dated May 2006 was submitted for PMOC review in June 2006 and covered the entire NYCT fleet. The length of the SAS Railcars, 75 feet, and the number to be procured for SAS were addressed. The PMOC completed its review of the RFMP during July 2006 and

found the plan to be acceptable. In December 2006, PMOC comments were forwarded to MTACC for future updates.

F. System Safety Review

- The New York State Public Transportation Safety Board (NYSPTSB), 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 OUP 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	07/25/06 (A) 10/06	Updated PMP (Revision 5) for the final design phase of the project was formally submitted for FTA acceptance on January 2, 2007. Revision 5 addresses the PMOC's concerns.
Quality Management Plan	MTA	07/25/06 (A) 10/06	Updated PQM (Revision 2) for the final design phase of the project was formally submitted for FTA acceptance on January 2, 2007. Revision 2 addresses the PMOC's concerns.
Safety and Security Management Plan	MTA	08/18/06	MTACC completed the Safety and Security Management Plan (SSMP) in October 2006 and submitted it to MTA's Safety Group, who approved its submittal for FTA/PMOC review. On January 26, 2007, MTACC submitted the draft SSMP to the PMOC, and it is being reviewed.
Before and After Study Plan	MTA	03/07	The PMOC received the Before and After Study Plan on October 25, 2006. The PMOC's review is on-going with a comparison of the SAS plan with the ESA plan. <i>The PMOC sent comments to MTACC in February 2007.</i>

Table 1 – FFGA Application Checklist SAS Phase 1

Document	Agency	Target Date	Status/ Comments
Rail Fleet Management Plan	MTA	06/02/06 (A)	The PMOC completed its review of the revised RFMP during July 2006 and found the plan to be acceptable with no major concerns being noted. In December 2006, the PMOC comments were sent to MTACC for future updating. Note: Although the RFMP includes the procurement of railcars for SAS as well as defining the railcar length at 75 feet, the plan covers the entire NYCT rail fleet.
Bus Fleet Management Plan	MTA	03/16/05 (A)	Submitted to FTA for approval on March 16, 2005. No additional updates anticipated.
Real Estate Acquisition Plan	MTA	07/25/06 (A) 10/06	Update for the Final Design phase of the project was completed in July 2006. The PMOC received the submittal on August 4, 2006. The PMOC completed its review of the RAMP and provided comments to MTACC on October 24, 2006. <i>The PMOC received the revised RAMP on February 22, 2007 and is reviewing it for content.</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	On-going. The PMOC held a pre-meeting with all of the risk reviewers to assign responsibilities for each facet of the review. <i>A draft Risk Characterization report was submitted to the FTA on February 16, 2007.</i>
Financing Plan	MTA	09/06 (A)	Submitted as part of FY08 New Starts submission.
Financial Capacity Review	FMOC	03/07	
Department of Labor (13c) Certification	DOL	03/07	

Table 1 – FFGA Application Checklist SAS Phase 1

Document	Agency	Target Date	Status/ Comments
Part I- Full Funding Grant Agreement (FFGA)	MTA	Fall-07	
Attachment 1- Scope of Project	MTA	03/07	
Attachment 1A – Color Map	MTA	03/07	
Attachment 2- Project Description	MTA	03/07	
Attachment 3- Baseline Cost Estimate	MTA	03/07	
Attachment 3A Project Budget	MTA	03/07	
Attachment 4- Baseline Schedule	MTA	03/07	
Attachment 5- Schedule of Prior Grants and Related Documents	MTA	03/07	
Attachment 6- Schedule of Capital New Starts Funds	MTA	03/07	
Attachment 7- Measures to Mitigate Environmental Impacts	MTA	03/07	
Attachment 8- New Starts “Before and After Study”	MTA	03/07	MTACC submitted the Before and After Study Plan for PMOC review on October 24, 2006. The PMOC’s review is on-going with a comparison of the SAS plan with the ESA plan. <i>The PMOC gave comments to MTACC in February 2007.</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 \$267.937 million has been expended on the project through January 31, 2007, including \$5.455 million on the Manhattan East Side Access (ESA) study and related HS work during the 1995-1999 capital program and \$262.482 million as part of the 2000-2004 capital program.

Based on PE and Extended PE final charges, the budget of \$326.452 million has been revised. The current project budget of \$337.584 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 \$28.117 million for Final Design for a total of \$219.522 million have been made to DHA as of January 31, 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 15.

In advance of a Full Funding Grant Agreement, 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. The PMOC, in support of the Region, evaluated the request and concluded that it was reasonable. The PMOC issued a Spot Report on November 22, 2006 documenting its findings. The FTA approved the ESWA on January 5, 2007.

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

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

Activity/ Event	MTAACC'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)
MTAACC 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)

Activity/ Event	MTACC's Schedule Information	
	Current	Previous Report
Pre-Bid Meeting for 1 st D/B Tunneling Contract	July 20, 2004 (A)	July 20, 2004 (A)
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)
<i>FTA Approval of Early Systems Work Agreement</i>	<i>Jan. 5, 2007 (A)</i>	
Award Contract for Tunnel Work (1 st Contract)	<i>Mar. 2007</i>	<i>Feb. 2007</i>
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	March 2007

Schedule Control: The July 25, 2006 Final Design Baseline Schedule was integrated into the Project Master Schedule and forwarded for PMOC review. Subsequent discussions resolved two areas of PMOC concern i.e. pre revenue operation testing and the date of revenue operations. The Project Master Schedule is being updated to address the PMOC's concerns and is expected in *March 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 FY 08 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, however, still reflects a total project cost of \$3.838 billion. MTACC will update the estimate in *March 2007* to reflect the bid amount for Contract 1 and to address PMOC concerns.
2. **Update and Maintain a Current Safety and Security Management Plan** – MTACC completed the Safety and Security Management Plan (SSMP) in October 2006 and submitted it to MTA's Safety Group, who approved its submittal for

FTA PMOC review On January 26, 2007, MTAACC submitted the draft SSMP to the PMOC, and it is *being reviewed by the PMOC's Safety and Security Specialists. Interviews of key SAS personnel are being set up for March 2007.*

3. **Advance the Project Design and Construction Consistent with the Environmental Mitigation Measures from the FEIS and ROD** – MTAACC 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 concurs with the MTA's conclusion that there were no significant environmental impacts as a result of the refinements. *In February 2007, MTA sent a letter concerning the 96th Street Station design listing additional changes, which are different than the FEIS scope, that have been made for improvement. A structural engineering study of the proposed location for Ancillary Building 1 indicated that the adjacent structures were potentially unsound and may collapse when demolition is performed on the site. The change involved relocating Ancillary Building 1 to a vacant lot, which resulted in fewer residential properties being required. This reduction is an improvement to the original scope.* The PMOC will continue to monitor as the different contract packages are advanced into final design.
4. **Develop and Implement a Management Plan for Accomplishing the Risk Mitigations** –The MTAACC is fully cooperating in the FTA's Risk Assessment Process and made its team available for the SAS Risk Assessment Workshop during the first week of May 2006 and a Risk Mitigation workshop in July 2006. A pre-meeting to review the Risk Characterizations by the PMOC reviewers was held in January 2007. *A draft Risk Characterization report was submitted on February 16, 2007. The PMOC began holding internal Risk workshops on February 28, 2007 to prepare for the Risk Characterization workshop with the SAS team in early March 2007. Additional workshops will be held in March and April 2007.* It is anticipated that the Risk Management Program concept developed for the East Side Access project will be 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 MTAACC 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 phase of the project was formally submitted to the FTA on January 2, 2007.

Updated QMP (Revision 2) for the final design phase of the project was formally submitted to the FTA on January 2, 2007.

7. **Prepare an Acceptable Before and After Study Plan** – The PMOC received the SAS Before and After Study Plan on October 24, 2006. Review of the plan is ongoing with a comparison being made between the SAS plan and the ESA plan. Comments were provided to the SAS Team in February 2007.

January 31, 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	1,049,600.00	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 PE cont.)	NY-03-0408-2	24,502,500.00	6,125,625.00	30,628,125.00			
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		258,612,089.28	258,612,089.28			199,898,129.80
Total		33,418,049.00	273,369,612.36	308,784,555.82			
Total Funding		37,616,449.00	273,369,612.36	308,784,555.82			209,813,678.80
Costs							
					Base Budget	Current Budget	Vouchered As Of January 31, 2007
MESA Study					5,368.00	\$ 5,454,700.00	\$ 5,454,700.00
EIS for SAS (Incl. Lower Man. Ser. Study)					11,901.30	\$ 12,674,033.00	\$ 10,857,235.00
Preliminary Engineering (WH)							
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 (WH)					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					-	\$ 2,332,716.00	\$ 44,772.00
Consultant (Final Design)						\$ 116,026,944.00	\$ 28,117,378.50
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	\$ 77,998.00
Miscell.						\$ 92,691.60	\$ 92,691.60
Sub-Total (MESA, EIS, & PE)					257,867,087.30	\$ 390,257,741.24	\$ 267,937,337.62

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 formats. 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. 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 March 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 PMOC will recommend FTA approval of QMP Revision 2. On December 15, 2006, the PMOC recommended FTA accept the QMP Revision 2, which was submitted on January 2, 2007. The SAS Project Team continues to efficiently and effectively implement the quality management system.

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 award is anticipated in March 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 updated Real Estate Acquisition Plan (REAP) dated July 2006 does not adequately address the changes required by the 2005 Final Rule to 49 CFR Part 24, the regulation that implements the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act). Of major concern is payment for Moving and Related Expenses (Subpart D) and Replacement Housing Payments (Subpart E). Details of the required changes were provided to the MTA in the PMOC's review comments to the REAP. MFACC submitted the revised RAMP to the PMOC on February 22, 2007.

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

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

There are no open actions.