

**FEDERAL TRANSIT ADMINISTRATION**

**PROJECT MANAGEMENT OVERSIGHT PROGRAM**

**Contract No. DTFT60-04-D-00012**

**Project No. DC-27-5006**

**Task Order No. 3**

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

**REGION II MAJOR CAPITAL PROJECTS**

**Monthly Report – Part I July 2009**

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OST Project Status Report – separate submittal to CO, COTR and TOM via e-mail

## LIST OF ACRONYMS

AFI	Allowance for Indeterminates
AWO	Additional Work Order
CCM	Consultant Construction Manager
CPM	Critical Path Method
DHA	DMJM+Harris and ARUP
<i>DOB</i>	<i>New York City Department of Buildings</i>
FD	Final Design
FEIS	Final Environmental Impact Statement
FFGA	Full Funding Grant Agreement
FTA	Federal Transit Administration
HLRP	Housing of Last Resort Plan
MEP	Mechanical, Electrical, Plumbing
MTA	Metropolitan Transportation Authority
MTACC	Metropolitan Transportation Authority – Capital Construction
N/A	Not Applicable
NTP	Notice to Proceed
NYCDEP	New York City Department of Environmental Protection
NYCT	New York City Transit
PE	Preliminary Engineering
PMOC	Project Management Oversight Contractor (Urban Engineers)
PMP	Project Management Plan
PQM	Project Quality Manual
RAMP	Real Estate Acquisition Management Plan
ROD	Revenue Operations Date
TIA	Time Impact Analyses
S3	Skanska, Schiavone and Shea
SAS	Second Avenue Subway
SCC	Standard Construction Categories
SSMP	Safety and Security Management Plan
SSOA	State Safety Oversight Agency
SSPP	System Safety Program Plan
TBD	To Be Determined

## **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 96<sup>th</sup> Street to 63<sup>rd</sup> Street, and will connect with the existing Broadway Line that extends to Lower Manhattan and Brooklyn. Subsequent phases will extend the line northward to 125<sup>th</sup> Street and to the southern terminus at Hanover Square in Lower Manhattan.
- **Length:** Phase 1 - 2.3 miles from 63<sup>rd</sup> Street to 105<sup>th</sup> Street. Total Project - 8.5 miles from 125<sup>th</sup> 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 72<sup>nd</sup> and 86<sup>th</sup> Streets, One new cut and cover station at 96<sup>th</sup> Street, and modification of the existing 63<sup>rd</sup> 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:** FFGA projects for 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). *Total number of rail cars required will be revised based on July 2009 decision by NYCT to utilize 60 foot rail cars.*
- **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 SAS project is trending significantly behind schedule, and the current Estimate at Completion (EAC) is significantly above the FFGA Baseline Cost Estimate. The MTACC has revised the cost estimate and project schedule and the FTA/PMOC is currently evaluating those revisions.*
- The PMOC is aware of a slippage of 10 months in the Critical Path work for Contract 1 (Tunnel Boring) in the actual work being performed. MTACC has requested a recovery schedule from the contractor, but it is highly unlikely that any more than a fraction of the lost time will be recovered.

- Contract (2A), the first of two contracts for the 96<sup>th</sup> Street Station, was awarded May 28, 2009.
- *Contract 5A, the first of three contracts for the 86<sup>th</sup> Street Station, was awarded on July 8, 2009.*

### C. Schedule

- **Preliminary Engineering (PE):** Entry into PE was approved by FTA on December 20, 2001; PE completed April 17, 2006.
- **Record of Decision:** Record of Decision issued on July 8, 2004.
- **Final Design (FD):** Entry into FD (Phase 1) was approved by FTA on April 18 2006. *FD for the 72<sup>nd</sup> St. Station is anticipated to be completed by February 11, 2010 based on DHA's schedule.*
- **Full Funding Grant Agreement (FFGA):** The FFGA was executed on November 19, 2007.
- **Construction:** The start of the Construction Phase was authorized with the approval of an Early Systems Work Agreement (ESWA) on January 5, 2007. *As of July 31, 2009, three of the eleven construction contracts have been awarded and notice to proceed issued (see Section III E for details). Construction is 5.78% complete based on total expenditures of the awarded construction contracts versus total projected construction cost (all construction contracts) at completion.*
- **Project Complete:** Through July 31, 2009, *total Phase 1 Project percent complete is 17.11% (based on total expenditures versus Phase 1 projected cost at completion). Financing not included (see Section D note 2). Percent complete will be reduced when financing is included.*
- **Revenue Operations Date:**

#### Phase 1 (MOS)

FFGA	Proposed FFGA as Amended	Forecast Completion		Actual Completion
		Grantee	PMO	
June 30, 2014	N/A	December 30, 2016 <sup>(1)</sup>	TBD <sup>(2)</sup>	TBD

(1) SAS Phase 1 Integrated Construction Schedule, Revision 3, Update #29 dated January 13, 2009.

(2) Pending completion of Risk Assessment

- **Other:** The Environmental Impact Statement was approved on April 8, 2004. *A Finding of No Sufficient Impact (FONSI) is being prepared for the relocation of an entrance at both the 72<sup>nd</sup> and 86<sup>th</sup> Street Stations.*

- **Next Quarterly Review Meeting:** *August 19, 2009*

#### **D. Cost Data for Phase 1**

	FFGA			FFGA Amendments	Current Costs Estimate at Completion		Expenditures Thru <i>July 31, 2009</i>	
	(\$ Millions) (1)	(%)	Obligated		(\$ Millions) (2)	(%)	(\$ Millions)	% of Total Project Cost
<b>Grand Total Cost:</b>	<b>\$4,866.614</b>	<b>100</b>		N/A	<b>\$5,163.614</b>	<b>100</b>	<b>\$743.866</b>	<b>17.11</b>
<b>Financing Cost</b>	<b>816.614</b>	<b>16.78</b>			<b>816.614</b>	<b>15.81</b>		
<b>Total Project Cost:</b>	<b>4,050.000</b>	<b>83.22</b>	<b>1,475.08<sub>3</sub></b>		<b>4,347.000</b>	<b>84.19</b>		
<b>Total Federal share:</b>	<b>1,361.511</b>	<b>27.75</b>	<b>229.321</b>		<b>1,350.692</b>	<b>26.16</b>	<b>171.540</b>	<b>3.95</b>
<b>Total FTA share:</b>	<b>1,300.000</b>	<b>96.25</b>	<b>167.810</b>		<b>1,300.000</b>	<b>96.25</b>	<b>135.662</b>	<b>3.12</b>
5309 New Starts share	1,300.000	100	167.810		1,300.000	96.25	135.662	3.12
<b>Total FHWA share:</b>	<b>61.511</b>	<b>3.75</b>	<b>61.511</b>		<b>50.692</b>	<b>3.75</b>	<b>35.878</b>	<b>0.83</b>
CMAQ	59.051	95.15	59.051		48.233	95.15	33.418	0.77
Special Highway Appropriation	2.460	4.85	2.460		2.459	4.85	2.460.	0.06
<b>Total Local share:</b>	<b>2,699.308</b>	<b>55.47</b>	<b>1,245.782</b>		<b>2,996.308</b>	<b>58.03</b>	<b>572.326</b>	<b>13.17</b>
State share:	450.000	16.67	100.000		450.000	15.02		
Agency share:	2,249.308	83.33	1,145.78 <sub>2</sub>		2,546.308	84.98		
City share:	0	0			0	0		

(1) Updated to reflect Attachment 6 (Schedule of Federal Funds) from SAS FFGA.

(2) Financial data provided monthly by MTACC and PMOC review of TEAM web.

The FFGA budget included a contingency of \$629.0 million (allocated and unallocated). The contingency is distributed as follows:

- AFI's and AWO's (Design, Pre-bid and Construction) \$395 million (unallocated)
- Executive Reserve (previously Project Reserve) \$160 million (unallocated)
- Real Estate \$17 million (allocated)
- Rolling Stock \$11 million (allocated)
- Design/Force Account \$46 million (allocated)

## E. Technical Capacity Review

- Project Management Plan (PMP): *The approved PMP has been updated 6 times so far to incorporate the critical changes to date. As a result of the current risk review, a seventh revision will follow the Risk effort to capture any changes resulting from the Risk Re-look.*
- Project Quality Manual (PQM): Updated PQM (Revision 2) for the final design/construction phase of the project was approved by the FTA on March 28, 2007.
- Bus Fleet Management Plan (BFMP): Updated BFMP dated February 2007 was conditionally accepted by the FTA in May 2007.
- Rail Fleet Management Plan (RFMP): Updated RFMP conditionally accepted by the FTA on April 24, 2007. *In July 2009, NYCT decided on a 60-foot rail car length for the SAS project and future procurements. The RAMP will be updated to reflect this decision.*

## F. System Safety Review

- The New York State Public Transportation Safety Board (PTSB) is the State Safety Oversight Agency (SSOA). Biennial re-certification of NYCT's System Safety Program Plan (SSPP) was completed in July 2008.

## G. Major Issues/Problems

- The MTA estimates it will take 3-4 months to complete its legal process to relocate the tenants affected by the 72nd Street Station cavern excavation contract. If there is a legal challenge, the process could take much longer and delay the critical path cavern contract that in-turn would delay the entire program. MTA is taking appropriate action to resolve this matter and is maintaining it as a high-profile issue until it is fully resolved. [Ref.: SAS-A02-0208]
- **Excavation on the east side of Second Avenue has been halted in the vicinity of the buildings located at 1766 to 1772 Second Avenue. The buildings are old and are leaning excessively. The building owners were cited by the City of New York's Department of Buildings years before any construction began to take corrective action regarding the condition of the buildings. At this time, the extent of the excavation moratorium is indeterminable, and has the potential of affecting the entire SAS project. Any delay to the start of excavation beyond the middle of August 2009 will delay this contract day for day, as the excavation is Critical Path work. [Ref: SAS-04-0709]**



**Attachment A - Safety Checklist - Second Avenue Subway**

<b>Areas of Focus</b>	<b>Y/N</b>	<b>Status</b>
<b>State Safety Oversight Agency</b>		
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.(PTSB)
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	Biennial re-certification was completed in July 2008 by the PTSB.
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
<b>System Safety</b>		
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



### Attachment A - Safety Checklist - Second Avenue Subway

Areas of Focus	Y/N	Status
Do the Grantee's PMP and associated Safety Program specify staffing requirements, procedures and authority for the safety activities?	Y	See PMP Section 3
Do the Grantee's PMP and associated Safety Program include a formal Safety Certification Program (SCP)?	Y	See PMP 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 (DCM) 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	Biennial re-certification was completed in July 2008 by the PTSB.
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
<b>Construction Safety</b>		
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?	Y	CSP is on-going. Toolbox meetings are held to acquaint personnel with the safety requirements as defined in the General Specification. MTACC and contractor's safety personnel and the OCIP representative continue to monitor the site for compliance. Safety is discussed at each Job Progress Meeting.

**Attachment A - Safety Checklist - Second Avenue Subway**

<b>Areas of Focus</b>	<b>Y/N</b>	<b>Status</b>
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?	-	The recordable incidents for the project (through <i>June 2009</i> ) continue to trend below the national average (2.20 vs. 5.89). Lost time accidents (through May 2009) are below the national average (1.10 vs. 2.27). Retraining and safety meetings are ongoing.
Is the Grantee using wrap-up insurance on this project?	Y	Owner Controlled Insurance Program (OCIP) has been implemented. Insurance coverage by Allied North America, administered by Project Technologies International, LLC.
Is the Grantee using safety incentives/disincentives on this project?	Y	Ongoing.
<b>Shared Track</b>		
Does this project have shared track?	N	
Has the Grantee coordinated with the Federal Railroad Administration (FRA) regarding waivers for shared track usage?	N/A	
<b>Shared Corridor</b>		
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	

## 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 CLIN 5 – Project Management Plan

3. XX PMO CLIN 3 – 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 Grantee Action**

Pr	Item	Identification	Nature of Problem	Grantee Action			Comments	Status
				D	A	I		
2	CLIN 003 Sub Task 12.a SAS-A01-1007	Rent Stabilization Plan	FTA/PMOC has no information for MTA's Plan for Rent Stabilization.	Y	Y	N	On December 1, 2008, the MTA issued the final draft of the SAS Relocation Plan, which includes the HLRP (Section 3.3), for FTA approval. PMOC comments were provided to the FTA on the final draft. FTA finalized its position and forwarded a letter to MTACC's management on March 4, 2009. Update of the Relocation Plan must address three concerns as noted in the March 4, 2009 letter. In April 2009, the Relocation Plan (Rev. 23) was updated and submitted for FTA/PMOC review. PMOC review was completed in June 2009 and comments provided to FTA. Reply to MTA is anticipated in <i>August 2009</i> .	R
2	CLIN 003 Sub Task 12.a SAS-A02-0208	Real estate challenges associated with entrance 3 at 72 <sup>nd</sup> Street Station	Two challenges were filed (State and Federal courts) with regard to the proposed relocation of entrance 3 of the 72 <sup>nd</sup> Street Station. The challenge filed in State Court has been dismissed. The challenge filed in Federal Court	Y	Y	N	The FEIS identified the location of entrance 3 within a building. MTACC proposed to locate it on the sidewalk of the northeast corner of 72 <sup>nd</sup> Street. This initiated the challenges. Now MTACC is proposing to locate it in 300 72 <sup>nd</sup> Street. On	R



**Items for Grantee Action**

Pr	Item	Identification	Nature of Problem	Grantee Action			Comments	Status
				D	A	I		
			continues.				September 12, 2008 a draft Environmental Assessment Schedule was presented to the FTA Regional Office for review. The final environmental assessment was approved by the FTA on May 18, 2009. Public release of the document occurred in June 2009. <i>The comment period was extended from July 3, 2009 to July 31, 2009. Responses to comments will be compiled and submitted to the FTA in August 2009. It is anticipated that the FTA will issue a Finding of No Significant Impact (FONSI) in September 2009.</i>	
2	CLIN 003 Sub Task 12a. SAS-A11-0808	Recovery Plan	MTACC needs to submit a Recovery Plan, pursuant to FFGA requirements, for FTA review and approval. Need to track the current budget against the FFGA budget and add financing costs as a line item to the Current Budget Summary.	Y	N	N	The project's budget and schedule performance is now being reported in comparison to the Baseline Cost Estimate and Schedule in the FFGA. MTACC has agreed to submit a Recovery Plan once consensus is reached from the Risk Assessment.	R

**Items for Grantee Action**

Pr	Item	Identification	Nature of Problem	Grantee Action			Comments	Status
				D	A	I		
2	CLIN 003 Sub Task 12a. SAS-A13-0808	Increase in cost estimate and Contract Packaging Plan	Reasons/justifications for the budget increase of \$297 million from \$4.05 billion to \$4.347 billion must be provided to the FTA. What was it due to? What are the benefits resulting from adding \$297 million more to the budget and breaking into 12 contracts. Revised cost estimate in the Standard Cost Categories must be provided.	Y	N	N	The PMOC received the cost estimate in the Standard Cost Categories. As part of the Risk Assessment, each cost category is being evaluated with high and low dollar ranges being established based on the perceived risk. A revised Baseline Cost Estimate is being established as part of the Risk Assessment.	R
2	CLIN 003 Sub Task 12a. SAS-A16-0808	Risk Assessment	Risk Assessment Workshop needs to be scheduled.	Y	N	Y	<i>Workshops continued during July 2009 in order to reach consensus on the revised BCE and schedule, and wording of the Project Execution Plan (PEP). Efforts are anticipated to be completed in August 2009.</i>	C
2	CLIN 003 Sub Task 12a. SAS-A17-0808		The Rail Fleet Management Plan (RFMP) should be updated.	Y	Y	N	<i>NYCT has decided on a 60-foot rail car length for the SAS project and future fleet procurements. The RFMP will be updated to reflect the decision and the impact on the total number of rail cars required (train sets).</i>	R



**Items for Grantee Action**

Pr	Item	Identification	Nature of Problem	Grantee Action			Comments	Status
				D	A	I		
2	CLIN 003 Sub Task 12a. SAS-A17a-0808	Rolling Stock Procurement	The decision to utilize 75 foot rail cars vs. 60 foot rail cars is being re-evaluated. MTACC should include the status of the procurement of rolling stock in its monthly reports and as an agenda item for future quarterly meetings.	Y	Y	Y	<i>During July 2008, NYCT decided that a 60-foot rail car will be utilized on the SAS project. MTACC is currently reporting on the status of the procurement on rolling stock in its monthly and quarterly reports.</i>	C
2	CLIN 003 Sub Task 12a. SAS-A18-0808	Contingency Drawdown Curve	The change in the Contingency Drawdown Curve, particularly the latent contingency, needs to be clarified. Why \$80 million?	Y	N	N	A revised Contingency Drawdown Curve will be developed based on the revised budget, schedule and contract Packaging Plan. See action item SAS-A13-0808.	R

### III. OBSERVATIONS AND CURRENT ISSUES

#### A. GENERAL AGENCY ASSESSMENT

MTA Capital Construction (MTACC) Company is a public corporation with a specific mission to plan, design and construct major current and future MTA system expansion projects, including the Second Avenue Subway (SAS) project. MTACC has engaged the services of a design consultant, DMJM+Harris and ARUP (DHA), and a consultant construction management services firm, PB Americas, to assist in its management of the project by supplementing MTACC staff. MTA's Real Estate Department is taking the lead in the acquisition of property required for the project.

The SAS project continues to trend behind schedule. The current Estimate at Completion (EAC) is significantly above the FFGA Baseline Cost Estimate (BCE). *During July 2009, the Risk Assessment model/process was reviewed with MTA, MTA's Office of Construction Oversight (OCO) and Independent Engineering Consultant (IEC) and MTACC's executive and project management. Subsequent workshops were held to reach consensus on the revised project cost and schedule ranges and to finalize the wording in the Project Execution Plan (PEP). Consensus on the revised project cost and schedule and a final PEP is anticipated by August 2009. [Ref: SAS-A13-0808]*

#### B. BUDGET/COST STATUS

The MTACC updated the SAS Project Phase 1 cost estimate to address the concerns noted during the 2007 Risk Assessment process. Adjustments were made to increase the unallocated contingency, real estate cost, and support an additional 6 months' float. The MTACC submitted the cost estimate and its various attachments to the FTA as required by the FFGA application. This effort was based on having 6 contract packages. Total project cost was \$4,866,614,000 and was broken down into the SCC as shown in the chart below.

Standard Cost Category (SCC) #	Description	Year of Expenditure \$000
10	Guideway & Track Elements	612,404
20	Stations, Stops, Terminals, Intermodal	1,092,836
30	Support Facilities: Yards, Shops, Admin Bldgs.	0
40	Site Work & Special Conditions	276,229
50	Systems	322,707
60	ROW, Land, Existing Improvements	240,960
70	Vehicles	152,999
80	Professional Services	796,311
90	Unallocated Contingency	555,554
Subtotal		4,050,000
Financing Cost		816,614
Total Project		4,866,614



**Project Funding:** On November 19, 2007, the FTA and MTA executed a FFGA in the amount of \$4,866,614,468, including finance costs. Total Federal participation is \$1,350,692,821 and Local participation is \$3,515,921,647. The table below lists the associated grants in the Transportation Electronic Award Management (TEAM) system with respective appropriated and obligated amounts as of *July 31, 2009*.

Grant Number	Amount (\$)	Obligated (\$)	Disbursement (\$) thru <i>July 31, 2009</i>
NY-03-0397	\$4,980,026	\$4,980,026	\$4,980,026
NY-03-0408	\$1,967,165	\$1,967,165	\$1,967,165
NY-03-0408-01	\$1,968,358	\$1,968,358	\$1,968,358
NY-03-0408-02	\$24,502,500	\$24,502,500	\$24,502,500
NY-03-0408-03	0	0	0
NY-03-0408-04	0	0	0
NY-03-0408-05	\$167,810,300	\$167,810,300	\$135,662,099
NY-17-X001-00	\$2,459,821	\$2,459,821	\$2,459,821
NY-95-X009-00	\$25,633,000	\$25,633,000	0
<b>Total</b>	\$229,321,170	\$229,321,170	\$171,539,969

**Project Expenditures and Commitments:** *A total of \$906.975 million has been expended on the project through July 31, 2009 including \$5.455 million on the Manhattan East Side Access (ESA) study and related FEIS work during the 1995-1999 Capital Program. (See Cost and Schedule Summary before Attachment “B”)*

**Project Cost Management and Control:** MTACC’s work breakdown structure allows for effective monitoring, control, and reporting of project costs and expenditures. The PMOC will continue monitoring MTACC’s budget control system during the final design, construction, and test phases.

**Change Orders:** Utilizing MTACC’s Additional Work Order Status Log, the PMOC monitors the change order process monthly. The table below shows the status of change orders for professional service and construction contracts approved and negotiated as of *July 31, 2009*.

Professional Service/Construction	Total # of Approved and Negotiated Change Orders	\$ Value	% of Award Value
DHA (Contract Mod.)	3	\$33,459,986	23.3%
Contract C 26002	54 (4 credits)	\$10,429,312	3.1%

### C. PROJECT SCHEDULE STATUS

Revision 3 Update 29, (dated January 13, 2009,) of the SAS Phase 1 Integrated Construction Schedule was issued on January 14, 2009. This schedule reflects a revised contract packaging plan of eleven construction contracts (previously twelve) and a delay of the Revenue Operations

Date to December 30, 2016. It must be noted that the December 30, 2016 Revenue Operations Date is approximately 30 months past the Baseline Revenue Operations Date of June 30, 2014 noted in FFGA (Attachment 4). Various activities were identified as having an impact on the Revenue Operations Date such as: inefficiencies of the tunnel boring contractor; increase in time for the procurement process; additional hand-off float from contractor to contractor; and changes in the integrated testing and commissioning methodology. *The PMOC has concluded, based on the analysis of the schedule as part of the Risk Assessment, that the ROD has the potential to slip an additional eight to eighteen months beyond December 30, 2016. The actual additional slippage will depend on MTACC's level of Risk Mitigation.*

## **D. DESIGN ENGINEERING STATUS**

### **Design Management**

MTACC awarded the Final Design (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). Three modifications to DHA's contract valued at \$33,459,986 have been approved. DHA's current final design contract is valued at \$176,944,986.

Final design was forecast to be completed on December 18, 2009. *Because of environmental requirements associated with an entrance at both the 72<sup>nd</sup> and 86<sup>th</sup> Street Stations, and efforts on the systems design, the completion of FD has been reforecast to February 12, 2010. FD is reported by MTACC to be 93.67% complete as of June 2009.*

Design Construction support services will continue through the completion of construction. Working Group meetings are ongoing to support the final design of the outstanding contract packages. Details of each contract package are presented below with final design completion dates as indicated in DHA's Final Design Schedule Update #35:

- Contract 1 - C 26002 (TBM Tunnels from 92<sup>nd</sup> St. to 63<sup>rd</sup> ST.) FD was completed in June 2006 (TBM Tunnels)
- Contract 2A - C 26005 (96th Street Station Structure and Heavy Civil) FD was completed in February 2008.
- Contract 2B - C 26010 (96th Street Station: utility restoration, construction of the above ground structure of the entrances and ancillary facilities, remaining invert slab, street, sidewalk and tree restoration finishes and installation of mechanical, electrical and plumbing equipment). The FD (95% submittal) was submitted to the CCM and NYCT for review. *The review is on going. FD is scheduled to be completed on September 4, 2009.*
- Contract 3 - C 26006 (63rd Street Station: upgrade involving open-cut excavation for the construction of entrance and ancillary facilities, removal and upgrade of the structural elements within the existing tunnel, and traction power connection to the Lexington Avenue Station on the Q Line). *FD is scheduled to be completed on December 18, 2009 and is currently 61.00 % complete.*
- Contract 4A - C 26014 (72nd Street Station: demolition of existing building and relocation of utilities that will prepare the site for construction). The FD (95% submittal) was submitted to the CCM and NYCT for review. *Review comments were*

*submitted to DHA for incorporation into the design. Final design is to be completed on August 4, 2009.*

- Contract 4B - C 26007 (72nd Street Station: construction of the cavern and the G3/G4 tunnels to the existing 63<sup>rd</sup> St. /Lexington Avenue Station). FD (95% submittal) is scheduled to be completed on September 18, 2009. CCM and NYCT comments are to be received and incorporated by November 19, 2009.
- Contract 4C - C 26011 (72nd Street Station: construction of ancillary finishes, installation of station finishes and mechanical, electrical and plumbing equipment). FD (95% submittal) is scheduled to be completed on December 18, 2009. CCM and NYCT comments are to be received and incorporated by February 1, 2010.
- Contract 5A - C 26013 (86th Street Station: utility relocation, open excavation and road decking that will prepare the site for construction). FD was completed in February 2009.
- Contract 5B - C 26008 (86th Street Station: construction of the station cavern, entrances and access shafts). FD (95% submittal) is scheduled to be completed on September 24, 2009. CCM and NYCT comments are to be received and incorporated by December 11, 2009.
- Contract 5C - C 26012 (86th Street Station: construction of the ancillary facilities and the installation of station finishes and the mechanical, electrical, and plumbing equipment). FD (95% submittal) was completed on July 27, 2009. CCM and NYCT comments are to be received and incorporated by September 22, 2009.
- Contract 6 - C 26009 (Systems, Power, Signals and Communications; includes the installation of the low-vibration track, aluminum rail, way-side signals, and all communication components, integration of the communication network with the NEP SCADA system and commissioning the system for revenue service). FD is scheduled to be completed on *February 12, 2010*.

## **E. CONSTRUCTION STATUS**

### **Construction Management**

On May 31, 2007, MTACC awarded a contract to PB America (PB) to perform Construction Management services for Phase 1 of the SAS project. As Consultant Construction Manager (CCM), PB will provide services for 91 months with a not-to-exceed value of \$80.9 million. PB's budget was subsequently increased to \$91 million to support the 11 Contract Packaging Plan and various constructability reviews. Total expenditure as of *July 31, 2009* is \$8,312,344.

PB is playing an active role coordinating activities among the various agencies, the construction contractors, and the SAS Project Team. Job Progress Meetings are being held bi-weekly to keep all parties informed. PB is conducting on-board reviews of the design packages associated with the 72<sup>nd</sup> Street Station.

## **Tunnels from 92nd to 63rd Streets**

**Description:** Contract (1) C 26002 provides for the construction of tunnels between 92nd Street and the existing Lexington Ave. /63rd Street Station, using a Tunnel Boring Machine (TBM) and other mining methods. It includes all preparatory work for tunneling, such as utility relocation and construction of a launch box and two vertical shafts. It also includes preparatory work for the subsequent contracts, such as maintenance of electrical and other facilities. Contract C 26002 was awarded to S3 Tunnel Contractors (a joint venture of Skanska, Schiavone and Shea) on March 20, 2007 for \$337,025,000.

**Schedule:** Contract (1) C 26002 notice-to-proceed (NTP) was issued on March 20, 2007, with a July 20, 2010 completion date (duration 40 months). *As of July 2009, the forecasted substantial completion date is June 2, 2011.*

**Construction Progress:** *During July 2009, S3 continued work on the east side of 2<sup>nd</sup> Avenue. Construction activities included: drilling for dewatering system; hanging electric utilities under the decking; delivery and installation of the TBM substation; line drilling from south bulkhead; installation of standpipe piezometers and inclinometers in wall; and the installation of additional instruments to monitor the adjacent buildings.*

**Excavation work in the vicinity of 1766 to 1772 Second Avenue, near 92<sup>nd</sup> Street, is still halted because of structural concerns with three of the buildings in that group. *The New York City Department of Buildings (DOB) declared the buildings unsafe, evacuated the tenants, and halted any construction causing vibrations that could collapse the structures. The building owners are installing supports to shore up the building which MTACC hopes will suffice to obtain DOB approval to begin blasting for the Launch Pit. [Ref: SAS-04-0709]***

Work at the vertical shaft sites (69<sup>th</sup> and 72<sup>nd</sup> Street) continued with excavation for the electric, gas, and steam utilities. Asbestos abatement of the electrical manholes and steam main is in progress by Con Ed. Con Ed has cleared 5 of the 6 manholes for abatement.

**Budget:** The budget for Contract (1) C 26002 is \$353,876,250. It is comprised of S3's bid price of \$337,025,000 plus a contingency of \$16,851,250. The contingency is 5% of the bid price and is allocated to cover additional work orders (AWOs). *Total expenditure through July 31, 2009 is \$163,109,355. Fifty-four AWOs have been approved/negotiated for a total value of \$10,429,312. The contract is within budget with an estimate at completion (EAC) of \$347,454,312 (bid price plus approved/ negotiated AWOs).*

**Quality:** *S3's quality control efforts during July 2009 focused on the inspection and test activities associated with utility relocations, deck beam splicing and jacking, material delivery, and control of nonconforming material. Quality Assurance activity included a preparatory phase session meeting for rock blasting. Quality Assurance activities in the next six weeks will include an audit of its internal quality management system, as well as audits of Wang Engineering and Ferrara Brothers Concrete.*

**Safety:** *S3's safety program is on-going and effective. The recordable incidents (2.2) and lost time accidents (1.1) are below the national average.*

## **96<sup>th</sup> Street Station**

**Description:** Contract (2A) C 26005 is for the heavy civil/structural construction involving utility relocation, demolition of existing buildings, underpinning, slurry wall construction,



excavation, and station invert slab of the 96<sup>th</sup> Street main station box, entrances and ancillary facilities. This contract was awarded to EE Cruz/Tully Construction Company (a joint venture) on May 28, 2009 for \$325,000,000.

Contract (2B) C 26010 is for the station finishes, installation of mechanical, electrical and plumbing systems in the station, installation of vertical conveyances, including elevators and escalators, utility restoration, construction of the above ground structure of the entrances and ancillary facilities, remaining invert slab, street, sidewalk and tree restoration, and retrofit of the existing tunnel between 99<sup>th</sup> and 105<sup>th</sup> Streets and the base slab of the new bored tunnel from 87<sup>th</sup> to 92<sup>nd</sup> Streets. The award date for this contract is March 31, 2011.

**Schedule:** Contract (2A) C 26005 notice-to-proceed was issued on May 28, 2009. Contract milestones are as follows: surface from 95<sup>th</sup> to 93<sup>rd</sup> Streets available (NTP + 22 months); north station area including ancillary # 2 completion (Milestone #1) (NTP + 30 ¼ months); underground station box from 95<sup>th</sup> to 93<sup>rd</sup> streets available (NTP + 32 months); ancillary #1, entrances #1 and #2, and south station area completion (Milestone #2) (NTP + 38 ¼ months); Substantial Completion (NTP + 43 ¼ months). *The contractor submitted a preliminary CPM schedule (first 90 days), which was approved by MTACC. The baseline CPM was also submitted and is being reviewed by MTACC.*

**Construction Progress:** *Efforts initiated by EE Cruz/Tully included: soil sampling; tree removal; preconstruction survey and photo of buildings; street furniture relocation; relocation of fire hydrants, traffic lights and signals; and saw cut of the sidewalk.*

**Budget:** The budget for Contract (2A) C 26005 is \$341,250,000. It is comprised of EE Cruz/Tully Construction bid price of \$325,000,000 plus a contingency of \$16,250,000. The contingency is 5% of the bid price and is allocated to cover additional work orders (AWOs).

**Quality:** A Quality Kick-off meeting was held to acquaint EE Cruz/Tully with the quality requirements for the project. It was highlighted that the requirements are based on the 15 elements of the FTA Quality Assurance/Quality Control guidelines. *In July 2009, EE Cruz/Tully submitted its Contractor's Quality Plan (CQP) to MTACC for review. The CQP is being revised to incorporate MTACC's comments. A six-week quality look-ahead schedule has been developed to support the construction activity. Activities include: generating quality work plans; preparatory sessions; in process inspection; inspection of delivered material; and training.*

**Safety:** N/A

### **63rd Street Station Rehabilitation**

**Description:** Contract (3) C 26006 includes the upgrade of the existing 63<sup>rd</sup> Street/Lexington Avenue Station. The work within this contract involves open-cut excavation for the construction of entrance and ancillary facilities, removal and upgrade of the structural elements within the existing tunnel, and a traction power connection to the Lexington Avenue Station on the Q Line.

**Schedule:** Contract (3) C 26006 award is July 30, 2010.

**Construction Progress:** N/A

**Budget:** N/A

**Quality:** N/A

**Safety:** N/A

### **72nd Street Station**

**Description:** Contracts (4A) C 26014 is for demolition of existing buildings and utility relocation. The scope is to prepare the construction site for construction staging and subsequent heavy civil construction work.

Contract (4B) C 26007 is for the construction of the station cavern and G3/G4 tunnels to the existing 63<sup>rd</sup> Street/Lexington Avenue Station for the 72<sup>nd</sup> Street Station. Major construction work includes tunnel mining, tunnel lining, station cavern, station entrance and elevator shafts.

Contract (4C) C 26011 is for construction of ancillary facilities, the installation of station finishes and the mechanical, electrical, and plumbing systems for the 72<sup>nd</sup> Street Station. Major construction work includes station electrical service, fan plant and pump room equipment, elevators and escalators.

**Schedule:** Award Contract (4A) November 30, 2009, Contract (4B) June 30, 2010, and Contract (4C) November 30, 2012

**Construction Progress:** N/A

**Budget:** N/A

**Quality:** N/A

**Safety:** N/A

### **86th Street Station**

**Description:** Contracts (5A) C 26013 is for utility relocations, open excavation and road decking. The scope of this contract is to prepare the site and provide access for the subsequent cavern and mechanical, electrical and plumbing contracts. This contract was awarded to J.D. Annunzio & Sons, Inc. on July 8, 2009 for \$34,070,039.

Contract (5B) C 26008 is for the construction of the station cavern and entrances. The scope of work includes mining of the station cavern, heavy civil work and construction of the station entrance and elevator shafts. Contract award is scheduled for January 31, 2011

Contract (5C) C 26012 is for construction of the ancillary facilities, the installation of station finishes and the mechanical, electrical and plumbing systems. The scope includes the installation of station electrical service, fan plant and pump room equipment, elevators and escalators. Contract award is scheduled for October 2, 2013.

**Schedule:** Contract (5A) notice to proceed was issued on July 8, 2008 with a substantial completion date of April 18, 2011. The preliminary CPM schedule for the first 90 calendar days was submitted to MTACC and subsequently returned with comments.

**Construction Progress:** Construction scope started J.D. Annunzio & Sons includes: tree removal; meter removal; preconstruction survey and photo of buildings; and saw cut of the sidewalk.

**Budget:** The budget for Contract (5A) is \$35,773,541, which is comprised of the bid price of \$34,070,039 plus a contingency of \$1,703,502. The contingency is 5% of the bid price and is allocated to cover additional work orders (AWOs).

**Quality:** *The SAS quality management team is currently reviewing the CQP.*

**Safety:** N/A

### **Systems, Power, Signals, and Communication**

**Description:** Contract (6) C 26009 provides for the construction of the tracks, signals, traction power and communication network and equipment for the SAS Phase 1 stations. The scope of work includes the installation of the low-vibration track, aluminum rail, way-side signals, and all communication components. Also included is the integration of the communication network with the existing system and commissioning the system for revenue service.

**Schedule:** Contract (6) C 26009 award is March 30, 2011.

**Construction Progress:** N/A

**Budget:** N/A

**Quality:** N/A

**Safety:** N/A

## **F. PROCUREMENT AND CONTRACTING ACTIVITIES**

**Contract Packaging Plan:** The scope of work associated with Phase 1 of the SAS Project was initially defined in 6 Construction Packages (contracts). *Following several reviews and a Construction Peer Review Workshop, MTACC agreed on a 12 contract packaging plan, which was submitted to the FTA in July 2008. At the FTA's Quarterly Meeting held on August 12, 2008, MTACC accepted the action item to provide the FTA the benefits of breaking the scope into 12 contract packages [Ref: SAS-A13-0808]. Subsequently, MTACC decided on 2 contracts for the 96<sup>th</sup> Street Station in lieu of 3 bringing the total to 11 contracts for Phase 1.*

The PMOC has expressed its concerns regarding the additional coordination required *by the CCM and MTACC staff* as more contractors are brought on board, the number of contractors who would be required to work in the limited space and the possibility of additional claims if work areas are not available for follow-on contractors when scheduled. Revision 3 Update 29 of the SAS Phase 1 Integrated Construction Schedule addresses the PMOC concerns in that additional hand-off float from contractor to contractor has been added. The packaging plan is being reevaluated as part of the PMOC's Risk Assessment.

**Property Acquisition and Real Estate:** MTA Real Estate is handling all real estate matters related to the SAS project and is responsible for acquiring the real estate interests needed for the project. MTA's real estate acquisition process is addressed in the Real Estate Acquisition Management Plan (RAMP) and the SAS Relocation Plan. The FTA gave conditional approval of the RAMP (dated May 2007) on November 15, 2007. On December 1, 2008, the MTA issued the final draft of the SAS Relocation Plan, which includes the *Housing of Last Resort Plan (HLRP)* (section 3.3), for FTA approval. On December 12, 2008, PMOC provided comments to the FTA on the final draft. FTA finalized its comments and issued a letter to the MTA on March 4, 2009 [Ref: SAS-A01-1007]. MTA Real Estate updated the HLRP and submitted it for FTA/PMOC comments on April 7, 2009. FTA/PMOC completed its review and anticipates a response to MTA by *August 2009*.

Real Estate concerns threaten to delay the work of building demolition prior to the commencing the 72<sup>nd</sup> Street Station cavern excavation contract. Demolition is currently planned for April 2010, but several administrative tasks must be completed before the building tenants can be relocated; and some of the tasks could take several months to complete. MTA estimates it will take 3-4 months to complete its legal process to relocate the 51 tenants affected. If there is a legal challenge, the process could take much longer and delay the critical path cavern contract that in-turn would delay the entire program. MTA is taking appropriate action to resolve this matter and is maintaining it as a high-profile issue until it is fully resolved.

*FTA was also informed that two challenges were filed (State and Federal courts) with regard to the proposed relocation of entrance 3 of the 72<sup>nd</sup> Street Station. MTA's Real Estate is coordinating efforts with legal representatives of FTA Region 2 to resolve this issue. An option eliminating entrance 3 in the sidewalk was presented at a community board (Community Board 8) meeting in August 2008 and was favorably received. On September 12, 2008, a draft Environmental Assessment Schedule was presented to the FTA Regional Office for review. After reviews, comments and resubmittal, FTA approved the final environmental assessment on May 18, 2009. The document was publicly released in June 2009 with all comments due by July 3, 2009. The comment period was subsequently extended from July 3, 2009 to July 31, 2009. Responses to comments will be compiled and submitted to FTA in August 2009. It is anticipated that the FTA will issue a Finding of No Significant Impact (FONSI) in September 2009. [Ref: SAS-A02-0208]*

#### **G. ROLLING STOCK:**

*During July 2008, NYCT decided that a 60-foot rail car will be utilized on the SAS project. The RFMP will be updated to reflect this decision and address the impact on the total number of rail cars (train sets) required. [Ref: SAS-A17-0808]*

#### **H. INTERAGENCY AND MASTER UTILITY PLANNING**

Interagency and master utility planning is progressing as defined in Section 12 of the PMP. During Final Design coordination with utility providers to develop detailed plans for facility rearrangements and integration of these plans into the construction contract documents is ongoing. Bi-weekly utility coordination meetings at the construction field office of Contract C 26002 are being held. Work orders are being issued to secure the city's assistance to the project in the areas of public works engineering, and traffic engineering.

Among the major New York City agencies that will interface with the project are: New York City Department of City Planning (NYCDCP); New York City Fire Department (FDNY); New York City Department of Transportation (NYCDOT); New York City Medical Examiner; and New York City Department of Environmental Protection (NYCDEP).

#### **I. SYSTEM SAFETY AND SECURITY**

On November 15, 2007, the FTA approved the SAS Safety and Security Management Plan (SSMP), noting however, that there was a vacancy in the Director of System Safety and Security position. As of June 30, 2008, MTACC hired a field Security Manager for its East Side Access Project. This person will also work on SAS until both projects are active enough to justify a separate Manager for SAS. The Safety and Security Manager position is shown on the latest

SAS Organization Chart as a matrixed resource from MTACC's VP, Program Control, Quality, Safety and Site Security's office.

On the SAS project, DHA's System Safety Manager is supporting the design efforts and the CCM (PB Americas) Safety Manager is supporting construction efforts under the supervision of MTACC Chief-Quality and Safety. The SSMP is intended to provide an effective management process that applies the system safety and security discipline throughout design, construction, start-up, and operations and maintenance. The SSMP establishes the framework that the SAS Project will use to reduce hazards and vulnerabilities to the criteria specified in contract documents, as determined by MTACC.

The SAS Safety & Security committee made a presentation to the NYFD on July 14, 2009, which consisted of a project overview and fire life safety aspects of the project.

#### **J. RISK ASSESSMENT AND RISK MITIGATION**

The SAS Project Team and the FTA's Risk Assessment Team have worked effectively in addressing issues, which could impact the success of the project. They have developed a Risk Management Program through various workshops and mutual cooperation. The PMOC has documented the efforts of the Risk Assessment Team in various draft Spot Reports. On June 6, 2007 the PMOC forwarded the reports to FTA Headquarters for review. The PMOC will monitor the implementation of the Risk Management Program as the project progresses through the design, construction and test phases. The MTACC and FTA have identified and documented the risk mitigation initiatives in a scoping document for incorporation into the PMP. The MTACC updated the PMP in February 2008, and a formal submission was made in March 2008.

In November 2008, MTA notified FTA of a revised budget and schedule. During January 2009, the PMOC was provided with the revised Integrated Construction Schedule and cost estimate. During April 2009, modified PG33 and PG34 products were developed based on schedule and cost inputs being modeled under various assumptions. During May /June 2009, FTA and PMOC continued its refinement of the PG47 process. *During July 2009, FTA/PMOC held numerous meetings with MTA and MTACC to review the Risk Assessment process and its subsequent Project Execution Plan (PEP). Meetings are on-going to finalize the specific wording in the PEP.* [Ref: SAS-A16-0808]

#### **K. QUALITY ASSURANCE/QUALITY CONTROL**

MTACC's Quality Manager for Second Avenue has implemented a Total Quality approach for monitoring the Quality Control and Quality Assurance activities on the Project. MTACC Quality Personnel audit both the Designer's and CCM's Quality programs; then the three groups (MTACC, Designer & CCM) audit the Contractors', Subcontractors' and Suppliers' Quality programs. In addition, Contract C 26002's Quality Manager has a very ambitious Quality program that is scheduled 6 weeks into the future and lists the audits and inspections to be performed. The inspections follow the schedule of work to be performed in those 6 weeks. Materials being delivered for the work tasks are inspected prior to the work beginning and the quality of the work being performed is audited/inspected as it is being done. The status of Non-Conformance Notices and the responsibility to perform corrective actions is distributed monthly. Representatives from each quality organization meet every other week to address any quality concerns. The Quality Program continues to be proactive and is providing proper oversight.

## **L. COMMUNITY RELATIONS**

As part of its community relations program, MTACC continues to conduct extensive public and community outreach. Activities include: liaison support at Construction Field Offices to handle daily concerns of pedestrians, residents and businesses; arranging meetings with community groups, condo boards, etc. to address concerns specific to their neighborhoods/buildings; providing email advisories to alert elected officials in advance of significant changes at the construction site or new construction activity; and addressing correspondence received through letters and emails regarding the SAS project.



**TABLE 2 - COST AND SCHEDULE SUMMARY**

Project	Cost (in Dollars)						Schedule			
	Original Budget	Latest Estimate at Completion (EAC)	Difference	Spent Through 7/31/09 (Funding Report)	Percent (%) Complete Planned    Actual		Award/NTP Date	Original Completion Date*	Actual Forecasted Completion	Original Duration (Months)
Contract 1 - Tunnel Boring S3 Joint Venture (Skanska/Schiavone/Shea)	\$337,025,000	\$337,025,000		\$163,109,355		48 4%	3/20/2007	7/20/2010	6/1/2011	40 mths
Contract 2A - 96th Street Station (EE Cruz/Tully)	N/A	\$325,000,000					5/28/2009	11/5/2012	11/5/2012	41 25 mths
Contract 3 - 63rd Street Station Name of Contractor	N/A									
Contract 4 - 72nd Street Station Name of Contractor	N/A									
Contract 5A - 86th Street Station (J D Annunzio & Sons, Inc )	N/A	\$34,070,039					7/8/2009	2/8/2011	2/8/2011	19 mths
Contract 6 - Track and Systems Name of Contractor	N/A									
Contracts to Be Bid	\$2,231,975,000	\$2,124,904,961	-107,070,039 0							
<b>Total Construction</b>	\$2,569,000,000	\$2,821,000,000		\$163,109,355						
OCIP (Insurance)	\$160,000,000	\$169,000,000	9,000,000 0	\$126,150,752		74 6%				
TA Labor	\$28,000,000	\$28,000,000		\$101,632		0 4%				
Engrg Force Account (Incl Contracts 1 & 2A)	\$42,000,000	\$52,000,000	10,000,000 0	\$2,161,498		4 2%				
3rd Party Reimbursement	\$58,000,000	\$61,000,000	3,000,000 0	\$7,820,760		12 8%				
Artwork Allowance	\$6,000,000	\$6,000,000								
Preliminary Engr & EIS	240,814,507	\$240,518,909	-295,597 8	\$238,219,830		99 0%				
Final Design	\$169,185,493	\$204,481,091	35,295,598 0	\$134,616,227		65 8%	4/18/2006	4/18/2009	12/18/2009	36 months
Construction Mgmt	\$86,000,000	\$91,000,000	5,000,000 0	\$8,312,344		9 1%	5/31/2007			
Rolling Stock	\$157,000,000	\$157,000,000								
Property Acquisition	\$245,000,000	\$245,000,000		\$54,826,949		22 4%				
Contingency	\$129,000,000	\$141,000,000	12,000,000 0	\$8,546,161		6 1%				
Project Reserve		\$6,000,000	6,000,000 0							
Executive Reserve	\$160,000,000	\$125,000,000	-35,000,000 0							
<b>Subtotal</b>	4,050,000,000	4,347,000,000	297,000,000 2	743,865,508		17 1%				
Financing	816,614,000	-								
<b>Totals</b>	4,866,614,000	4,347,000,000	297000000 2	743,865,508		17 1%				

### **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**

<b>Priority (Pr)</b>	<b>Category (Cat.)</b>	<b>Grantee Action (D A I)</b>	<b>PMO Contractor Status</b>
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			Comments	Status
						D	A	I		
2	CLIN 0003 SubTask 12.a  SAS-03-0309	Rolling Stock Procurement	B S2	The decision to utilize 75 foot rail cars vs. 60 foot rail cars is being re-evaluated.	MTA should immediately choose the car length most adaptable for them.	N	N	Y	<i>A decision to use 60 foot cars was made in July 2009.</i>	C
1	CLIN 0003 SubTask 12.a  SAS-04-0709	<i>Launch Pit Excavation potential delay</i>	S2 S3	<i>Excavation of the Launch Pit has been suspended due to the structural condition of adjacent buildings on the eastside of Second Avenue.</i>	<i>MTA must work with the owners and NYC DOB to expedite a solution that will allow blasting for excavation to begin in August.</i>	Y	Y	N	<i>This is a Third Party problem that is not directly under the control of the Grantee, but the Grantee needs to work with the owners to get their buildings structurally sound.</i>	R