



LIGHT RAIL PROGRESS REPORT

Central Phoenix/East Valley Light Rail Transit Project

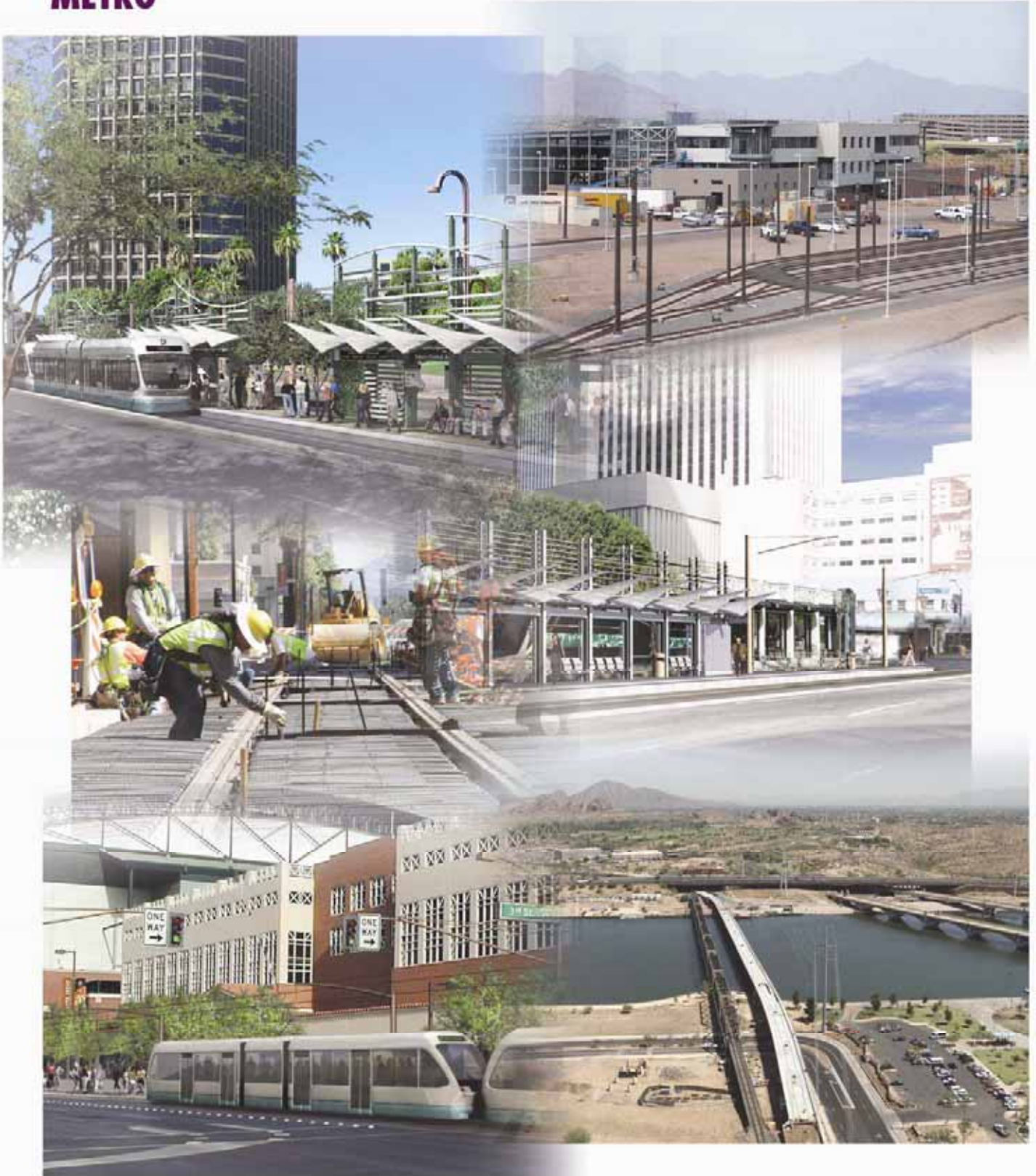




Table of Contents

1. Executive Summary	3
• Map of Corridor	4
• Contract Log.....	5
2. Cost Overview	6
• Project Budget Status	9
• Plan vs. Actual	11
• Current vs. Baseline	11
• Contingency Drawdown	12
• CNPA Project Budget Status.....	13
3. Schedule Overview	15
• Critical Path.....	17
• Procurement Bid Status Report.....	19
4. Quality Assurance	20
5. Public Involvement	23
6. Disadvantage Business Enterprise Program.....	27
• DBE Program Overview	29
7. System Safety and Security	30
8. Environmental Management	31
9. Real Estate.....	34
10. Utilities.....	37
• Prior Rights Utility Cost Status	43
11. Architecture	44
• Public Art.....	44
• Station Finishes.....	46
12. Facilities	50
• Line Section 1	50
• Line Section 2	55
• Line Section 3	59
• Line Section 4	64
• Line Section 5	68
• 48 th Street Bridge Replacement	73
• Town Lake Bridge	74
• Maintenance and Storage Facility	77
• Park-and-Ride	81
• Track Material Procurement.....	84
• Traffic Signal Procurement.....	86
• Underfloor Wheel Profiling Machine.....	88
13. Systems	89
• Automated Fare Collection System.....	89
• Light Rail Vehicle	92
• Signals and Communications.....	96



- Traction Electrification System 101
- 14. Appendix 107
 - Presentation Schedule 107
 - Acronyms 117



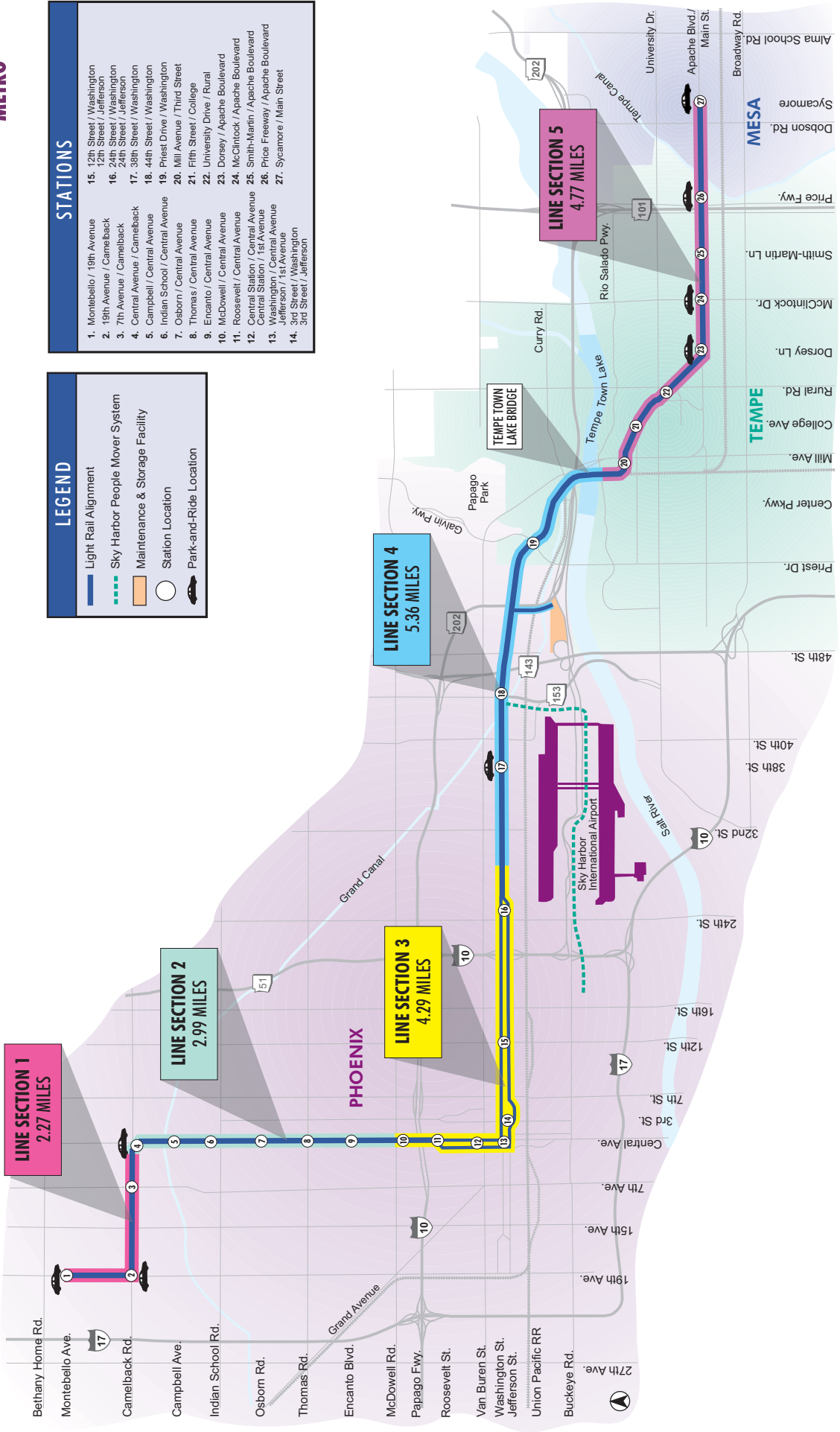
1. Executive Summary

The Central Phoenix/East Valley (CP/EV) Light Rail Transit Project includes the design and construction of a 19.6 mile, double track, Minimum Operable Segment that extends from 19th Avenue near Bethany Home Road in North Central Phoenix through the downtown area to and through the City of Tempe, then crosses into the City of Mesa where the project terminates at Main Street and Sycamore. The track alignment is mostly in-street median and includes 27 passenger stations and eight surface parking lots, seven of which are newly constructed, and one existing lot owned by the City of Tempe near an LRT station site that will be dedicated to transit use at no cost to the Project. An initial fleet of 36 LRVs is part of the Project. The Project also includes a maintenance and storage facility to support the 36 light rail vehicles located South of Washington Street and East of 48th Street in Phoenix. Propulsion power for the LRVs will be delivered by a Traction Electrification System consisting of wayside substations distributing propulsion power through an Overhead Catenary System (OCS). The Project will also include a Signals and Communications System consisting of both wayside and traffic signals. The entity responsible for project delivery, Valley Metro Rail (METRO), is a sub-recipient to the grantee, the City of Phoenix. The Project has a budget of \$1,412,000,000 Billion, with a Revenue Operations Date of December 2008.

Major milestones/accomplishments this month include substantial utility progress on Camelback Road on LS 1, and the substantial completion of the Grand Canal Bridge on LS 2. The LS 3 contractor continues to make progress on rail installation, as does the LS 4 contractor. The first production track work has begun in LS 5. Permanent power is now connected at the MSF site, and the main switchboard and transformer in the MOE building has been tested, inspected and energized. Traction power substation rectifier-transformer equipment delivery has begun, and LRV 101 left Japan on September 30, 2006 heading to Baltimore.

The project remains on schedule and within budget. Only 25 parcels remain that are not yet under city control, and only 80 are not yet available for construction, although only a small number of these parcels are negatively impacting the construction schedule. The energy of the project team is focused where it is needed most. In all line sections there are some parcels that remain unavailable for construction, but the outstanding parcels in Line Section 1 are of the highest priority. Intensity is increasing regarding negotiations with contractors about the impacts of the revised Master Schedule. Negotiations are progressing on LS1, LS2 and LS3, and the Systems contracts will be providing cost information in October, all in support of achieving the milestones included in the new Master Schedule. There continues to be a forecast of sufficient contingency remaining to complete the project within budget.

LIGHT RAIL STARTER SEGMENT



LEGEND

- Light Rail Alignment
- Sky Harbor People Mover System
- Maintenance & Storage Facility
- Station Location
- Park-and-Ride Location

STATIONS

1. Montebello / 19th Avenue
2. 19th Avenue / Camelback
3. 7th Avenue / Camelback
4. Central Avenue / Camelback
5. Campbell / Central Avenue
6. Indian School / Central Avenue
7. Osborn / Central Avenue
8. Thomas / Central Avenue
9. Encanto / Central Avenue
10. McDowell / Central Avenue
11. Roosevelt / Central Avenue
12. Central Station / Central Avenue
13. Washington / Central Avenue
14. Jefferson / Washington
15. 12th Street / Washington
16. 24th Street / Washington
17. 38th Street / Washington
18. 44th Street / Washington
19. Priest Drive / Washington
20. Mill Avenue / Third Street
21. Fifth Street / College
22. University Drive / Rural
23. Dorsey / Apache Boulevard
24. McClintock / Apache Boulevard
25. Smith-Martin / Apache Boulevard
26. Price Freeway / Apache Boulevard
27. Sycamore / Main Street

METRO
CONTRACT LOG - SEPTEMBER 2006

ITEM	CONTRACT NUMBER	CONTRACT DESCRIPTION	CONTRACTOR
1. PROGRAM MANAGEMENT & ENGINEERING			
1	LRT-99-001	GEC - DES/FEES/PE	Parsons BrinckhoffQuade & Douglas
2	LRT-02-001	GEC - Final Design	Parsons BrinckhoffQuade & Douglas
3	LRT-02-001	GEC - DSDC	Parsons BrinckhoffQuade & Douglas
4	LRT-98-001-PMC	Project Management Consultant	S.R. Beard & Associates LLC and Parsons Transportation Group, Inc., a Joint Venture
5	LRT-03-005-CAC	Construction Administration Services	Post Buckley Schuh & Jemigan, Inc., and PGH Wong Engineering, Inc., a Joint Venture
2. CONSTRUCTION			
6	LRT-03-007-B48	48th Street Bridge Replacement	FNF Construction, Inc.
7	LRT-04-017-MSF	Maintenance & Storage Facility (MSF)	SundtStacey & Wibeck, Joint Venture
8	LRT-04-020-LS1	Line Section 1	Kiewit Western Co
9	LRT-04-019-LS2	Line Section 2	Hezog Contracting Corp
10	LRT-04-021-LS3	Line Section 3	ArcherWestern Contractors
11	LRT-04-018-LS4	Line Section 4	SundtStacey & Wibeck, Joint Venture
12	LRT-04-022-LS5	Line Section 5	SundtStacey & Wibeck, Joint Venture
13	LRT-05-042-PNR	Park and Rides	Undetermined
14	LRT-04-028-SF	Station Finishes	ArcherWestern Contractors
15	LRT-04-040-TLB	Town Lake Bridge	PCL Civil Constructors, Inc.
16	LRT-05-036-WPM	Wheel Profiling Machine	Simmons Machine Tool Corp
3. SYSTEM ELEMENTS			
17	LRT-03-001	Light Rail Vehicles (LRV)	Kinksharyo International, L.L.C. and Misui Co. (U.S.A), Inc., CPEV Joint Venture
18	LRT-04-039-S&C	Signals and Communications	Mass Electric Corp.
19	LRT-04-014-TES	Traction Electrification System	Mass Electric Corp.
20	LRT-06-053-FCS	Fare Collection System	Scheidt & Bachmann USA, Inc.
21	LRT-06-071-LCM	Light Rail Car Mover	Bandt Road Rail Corp
4. PUBLIC ART			
22	02-002-04	LS4 Design Team Artist/Station Artist	Laurie Lundquist
23	02-002-03	LS2 Design Team Artist/Station Artist	Ilan Averbuch
24	02-002-04	LS1 Design Team Artist/Station Artist	Robert Adams
25	02-002-05	LS5 Design Team Artist/Station Artist	Norie Sato/Bill Will
26	02-002-01	LS3 Design Team Artist	Janet Zweig
27	05-041-ART	Bridge Design Team Artist	Buster Simpson
28	02-002-07	LS3 Design Team Artist	Laurie Lundquist
29	02-002-08	LS3 Design Team Artist	Robert Adams
30	02-002-09	44th Street Station Artist	Mona Higuchi
31	02-002-10	38th Street Station Artist	Stuart Keebler/Michael Machnic
32	02-002-11	Central/Roosevelt Station Artist	Peter Richards
33	02-002-12	Central/McDowell Station Artist	Michael Maglich
34	02-002-13	First Street Station Artist	Stephen Farley
35	02-002-14	Third Street Station Artist	Cliff Ganten
36	02-002-15	Central Station, Station Artist	Ries Nemmi
37	02-002-16	12th Street Station Artist	Victor Zabala
38	02-002-17	Fifth Street/College Station Artist	Tad Savinar
39	02-002-18	Central/Campbell Station Artist	Al Price
40	02-002-19	Central/Indian School Station Artist	Mary Lucking
41	02-002-20	Central/Osborn Station Artist	Thomas Sayre
42	02-002-21	Central/Thomas Station Artist	Brian Goldberg
43	02-002-23	Third Street/Mill Station Artist	Catherine Widger
44	02-002-24	Apache Stations - Lighting Artist	Dan Coison
45	02-002-25	Apache Stations - Cultural/Leaves Artist	Christine Boudette
46	02-002-26	Apache Stations - Vertical Objects Artist	Sukang Zhao
47	02-002-27	Apache Stations - Paving Artist	Benson Shaw
48	02-002-28	Longmoss Station Artist	Brad Konick
49	02-002-29	19th Avenue /Camelback Station Artist	Josh Garber
50	02-002-30	7th Avenue /Camelback Station Artist	Nubia Owens
51	02-002-31	24th Street Station Artist	Kevin Bery
52	02-002-32	Central/Encanto Station Artist	Jamex & Ehardela Tome
5. MEC. CONSTRUCTION & SERVICES			
53	LRT-05-046-ERS	Environmental Remediation Service	Environmental Response Inc
54	LRT-04-031-PCS	Power Consulting Services	RW Beck
55	LRT-06-052-MF	Modular Furniture	Facilitac, Inc.
56	LRT-06-065-TCS	Telecom Camera Services	Time Warner Telecom
57	LRT-06-057-WLI	WAN/LAN and IPT Voice System Equipment	Calence, Inc.
58	LRT-04-034-SPC	Strategic Planning Consulting Services	Davis Consulting
59	LRT-05-045-DCS	Document Control Services	LKG-CMC, Inc
60	LRT-05-037-ACS	Audit Consulting Services	Clifton Gunderson LLP
61	LRT-05-038-RMS	Risk Management Services	Ashton Tiffany, LLC
62	LRT-06-069-SSC	Safety & Security Certification Services	Booz Allen Hamilton, Inc
63	LRT-06-067-ITS	IT Technology-Office Network Support	World Wide Technology, Inc.
64	LRT-07-082-TCS	Telecommunications Services for MSF	Qwest Communications
6. OWNER FURNISHED MATERIALS			
65	LRT-04-009-MP1	Rail MP1)	Progress Rail Corporation
66	LRT-04-010-MP2	Concrete Crossties MP2)	CXT Inc
67	LRT-04-030-MP5	Ballasted Special Trackwork (MP5)	VAE Nortrak North America Inc
68	LRT-04-032-MP8	Grader Rail MP8)	VAE Nortrak North America Inc
69	LRT-04-033-MP9	Grader Rail Special Trackwork (MP9)	VAE Nortrak North America Inc
70	LRT-04-015-MP3	Traffic Signal Hardware (MP3)	Various
71	LRT-06-072-SE	Shop Equipment for Maintenance Facility	Wisota Supply Company, Inc
7. FUTURE LIGHT RAIL EXTENSIONS			
71	LRT-06-050-DCS	Design Criteria & Standards	Stantec Consulting
72	LRT-06-055-PSS	Planning Support Services	HDR Engineering, Inc.



2. Cost Overview

Federal 5309 Project

The project budget for the Federal 5309 program is \$1,412,125,346. Known pending and executed change orders are valued at \$36,035,325 of the available \$84,536,664 planned contingency. Including Project Reserve, this leaves \$59,108,409 of contingency funds available to the project.

The project is 49.2 percent complete. Construction is 38.9 percent complete.

Since the last reporting period, the contingency decreased by \$2,932,752.

Program Management and Administration

Forecast is within budget. No major draws on contingency in this contract unit are anticipated.

Program Management Consultant

Staffing plan for fiscal years 2008 and 2009 is within the overall forecast of this contract unit.

City Administration

Forecasts are per agreements with the cities.

Right of Way Acquisition

Forecast is being evaluated.

PE/FEIS Engineering

Activity is complete.

Engineering

The final design budget and its associated contingency total \$82,800,000. To date, \$81,400,000 has been incurred. Work remaining consists of change orders, completion of Park and Rides design and vehicle engineering support.

The Design Services During Construction budget totals \$14,900,000 and \$12,800,000 of this has been expended. METRO has \$1,600,000 of contingency available to fund further work. Task Order No. 7 has obligated \$1,270,513 of federal funds of this amount for change orders and continuation of final design tasks.

Owner Furnished Equipment/Materials

Forecasts are within budget. The work is 80.8 percent complete.



Light Rail Vehicles

Contingency appears to be sufficient to fund the work remaining.

Facilities

Facilities work is 38.8 percent complete. Executed and pending change orders are expected to utilize \$17,700,000 of the \$33,100,000 available contingency. Additional expected change orders for required acceleration, additional work and expected requests for equitable adjustment are challenging to the available balance of contingency.

The forecast for prior right utilities continues to be a concern and is being evaluated. The basis of the budget was developed prior to approval of the Full Funding Grant Agreement. Since then there have been significant increases in material costs and changes in market conditions. Portions of the work are being transferred to the line section contracts for schedule mitigation reasons.

Systems

Systems work is 26.1 percent complete. Remaining contingency is at 81 percent of the contingency budget and will likely be required to accelerate the systems work.

Construction Administration Services

The forecast appears adequate though there is some uncertainty as to the cost of archaeological/environmental remediation work that will be assigned to the consultant.

Negotiation of the Construction Administration Consultant Contract (to extend services in line with the December 2008 schedule) will determine the final cost of these services and is nearly complete.

Testing and Startup

Forecast continues to show and under run to the budget.

Art Program

Forecast appears sufficient to complete the work.

Unallocated Design Contingency

Budget was utilized to fund variances between bid amounts and original budgets.

Project Reserve

Remaining Project Reserve is forecast at \$7,300,000.



Financing Costs

Forecast indicates an under run to the budget and is being evaluated on a periodic basis.

Concurrent Non Project Activities Project

The budget for Concurrent Non Project Activities is \$94,996,637, based on the January 2006 METRO Board approved amount.

Task Order funding of \$150,000 was provided to the GEC for preliminary work on the 11th Street Loop Track. Funding for this has not been secured yet. Change orders continue to be processed for City of Phoenix Water Services Department work.

**Valley Metro Rail Program Control
CP/EV LRT Project
Project Budget Status
Federal 5309 Project**

2006_09

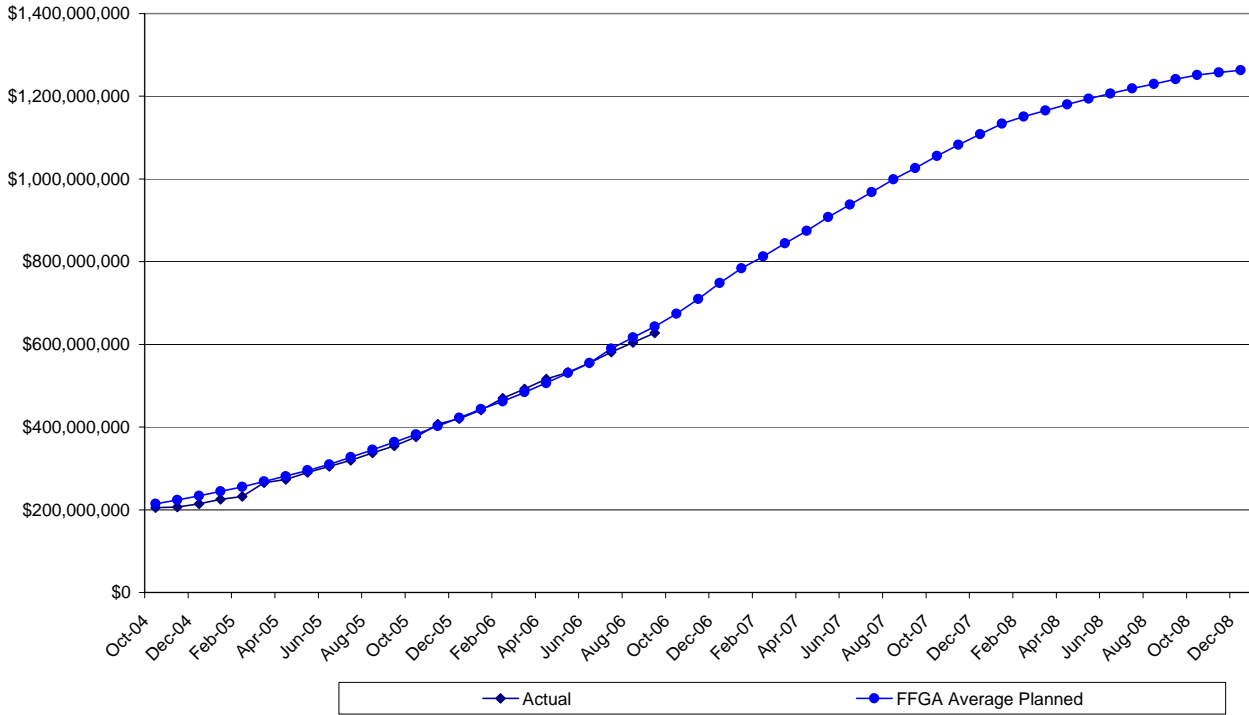
Element	Description	FFGA Attachment 3	Board Revised Budget	Current Actual \$ (To Date)	Forecast	Variance
50	LS1 19th Ave/Bethany - Camelback/Central	\$27,130,856	\$40,991,524	\$9,714,219	\$41,687,062	(\$695,538)
51	LS2 Camelback/Central - McDowell Road	\$38,004,059	\$49,231,868	\$9,944,969	\$49,274,715	(\$42,847)
52	LS3 McDowell Road - 28th Street	\$63,981,654	\$81,304,730	\$23,397,036	\$81,430,668	(\$125,938)
53	LS4 28th Street - N Approach to Town Lake	\$46,622,020	\$51,966,787	\$25,185,313	\$52,140,395	(\$173,608)
54	LS5 1st Street - Sycamore	\$49,680,435	\$69,997,409	\$26,281,751	\$70,062,844	(\$65,435)
55	Station Finishes	\$38,701,950	\$52,985,000	\$3,304,699	\$52,985,000	\$0
56	Park and Ride Facilities	\$15,104,339	\$15,104,339	\$0	\$20,907,699	(\$5,803,360)
57	Miscellaneous Construction	\$7,505,200	\$4,501,200	\$0	\$4,501,200	\$0
5K	Archaeological Investigations/Hazardous Material Removal	\$0	\$1,004,000	\$21,249	\$1,004,000	\$0
58	MSF Construction/Equipment Installation	\$57,637,721	\$64,015,887	\$56,104,974	\$63,543,061	\$472,826
5G	MSF Underfloor Wheel Profiling System	\$0	\$980,107	\$343,038	\$980,107	\$0
59	48th Street Bridge Restoration	\$2,014,013	\$2,824,232	\$2,824,232	\$2,824,232	\$0
5A	Town Lake Bridge	\$15,529,600	\$21,884,369	\$20,825,570	\$21,905,386	(\$21,017)
5B	Prior Rights Utility Relocations	\$22,938,000	\$21,054,084	\$10,010,927	\$27,792,387	(\$6,738,303)
81	Contingency	\$37,491,841	\$16,252,717	\$0	\$15,471,463	\$781,254
	Facilities	\$422,341,688	\$494,098,253	\$187,957,977	\$506,510,219	(\$12,411,966)
4A	Rail Procurement	\$1,306,200	\$1,271,080	\$1,251,101	\$1,271,080	\$0
4B	Concrete Crosstie Procurement	\$900,000	\$751,492	\$718,285	\$751,492	\$0
4C	Traffic Signal Hardware	\$8,060,100	\$8,060,100	\$6,821,329	\$8,060,100	\$0
4D	Ballasted Special Trackwork Procurement	\$2,532,414	\$2,291,498	\$2,253,875	\$2,291,498	\$0
4E	Crossing Panel Procurement	\$380,100	\$360,096	\$0	\$0	\$360,096
4F	Girder Rail Procurement	\$15,079,742	\$14,526,798	\$14,293,479	\$14,526,798	\$0
4G	Girder Rail Special Trackwork Procurement	\$0	\$5,712,656	\$747,774	\$5,712,656	\$0
81	Contingency	\$1,412,863	\$865,480	\$0	\$846,480	\$19,000
	Owner Furnished Materials/Equipment	\$29,671,419	\$33,839,200	\$26,085,843	\$33,460,104	\$379,096
5D	Fare Collection Machines	\$10,755,800	\$7,100,012	\$0	\$7,101,612	(\$1,600)
5E	Traction Power Substations/Overhead Catenary System	\$62,141,100	\$56,874,356	\$16,912,345	\$56,948,754	(\$74,398)
5F	Communications/Signals	\$38,220,002	\$38,344,018	\$8,871,776	\$38,470,746	(\$126,728)
81	Contingency	\$8,674,000	\$5,542,926	\$0	\$5,340,200	\$202,726
	Systems	\$119,790,902	\$107,861,312	\$25,784,121	\$107,861,312	\$0
	Sub Total, Construction	\$571,804,009	\$635,798,765	\$239,827,941	\$647,831,635	(\$12,032,870)
4K	Vehicle Contract	\$115,501,823	\$117,625,456	\$20,672,257	\$117,625,456	\$0
4N	LRT Vehicle Contract Contingency	\$5,775,001	\$2,512,813	\$0	\$2,512,813	\$0
	LRT Vehicles	\$121,276,824	\$120,138,269	\$20,672,257	\$120,138,269	\$0
22	ROW Acquisition	\$116,214,150	\$116,214,150	\$127,569,361	\$134,000,000	(\$17,785,850)
23	ROW Contingency	\$20,081,000	\$19,570,482	\$0	\$0	\$19,570,482
20	ROW	\$136,295,150	\$135,784,632	\$127,569,361	\$134,000,000	\$1,784,632

**Valley Metro Rail Program Control
CP/EV LRT Project
Project Budget Status
Federal 5309 Project**

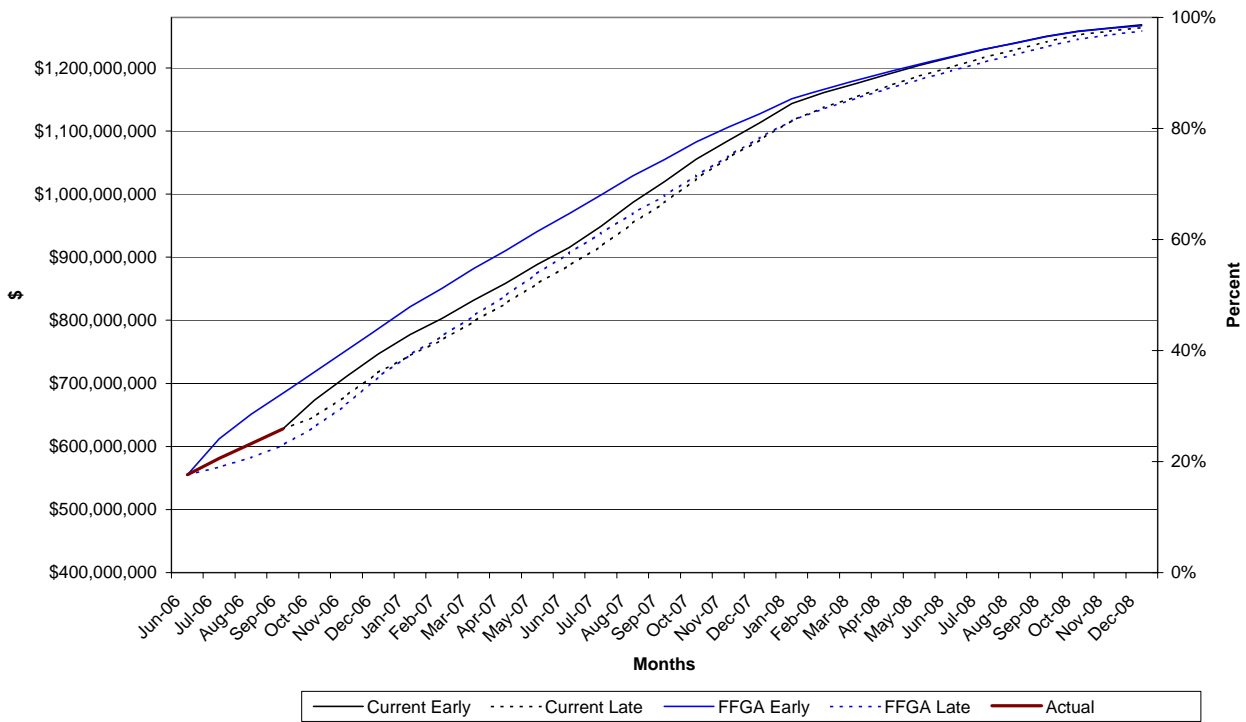
2006_09

Element	Description	FFGA Attachment 3	Board Revised Budget	Current Actual \$ (To Date)	Forecast	Variance
30	PE/FEIS Engineering	\$25,054,938	\$25,054,938	\$25,054,938	\$25,054,938	\$0
31	Engineering	\$76,780,935	\$76,091,060	\$75,222,079	\$76,642,352	(\$551,292)
4L	Vehicle Engineering	\$5,432,358	\$5,555,358	\$4,807,923	\$5,555,358	\$0
20	ROW Engineering	\$1,016,370	\$1,321,163	\$1,386,172	\$1,386,172	(\$65,009)
32	Design Services During Construction	\$14,160,426	\$14,877,262	\$12,783,953	\$19,877,262	(\$5,000,000)
33	Engineering Contingency	\$0	\$1,112,105	\$0	\$501,898	\$610,207
34	DSDC Contingency	\$0	\$329,487	\$0	\$329,487	\$0
	Engineering	\$97,390,089	\$99,286,435	\$94,200,127	\$104,292,529	(\$5,006,094)
						\$0
60	CAC Contract	\$37,759,127	\$38,368,729	\$26,853,286	\$59,401,079	(\$21,032,350)
61	CAC Contingency	\$15,244,622	\$1,065,984	\$0	\$1,065,984	\$0
	Construction Administration Services	\$53,003,749	\$39,434,713	\$26,853,286	\$60,467,063	(\$21,032,350)
10	PE Administrative/Management Costs	\$4,363,526	\$4,363,526	\$4,363,526	\$4,363,526	\$0
11	Administrative/Management - VMR	\$43,915,047	\$44,228,316	\$24,366,234	\$44,212,844	\$15,472
62	Construction Administration Services - VMR	\$1,697,232	\$3,087,589	\$2,096,678	\$3,087,589	\$0
67	CAB Program	\$0	\$2,500,000	\$836,474	\$2,500,000	\$0
21	Administrative ROW Costs	\$696,712	\$696,712	\$506,334	\$696,712	\$0
76	Administrative/Management Art Program Costs	\$414,632	\$414,632	\$0	\$414,632	\$0
16	Administrative/Management - ADOT	\$420,000	\$930,000	\$385,365	\$930,000	\$0
17	Agency Insurance Cost	\$7,000,000	\$7,000,000	\$3,629,060	\$7,000,000	\$0
18	Administrative/Management Contingency	\$0	\$11,910,551	\$0	\$1,824,969	\$10,085,582
	Program Management	\$58,507,149	\$75,131,326	\$36,183,671	\$65,030,272	\$10,101,054
10	PE Administrative/Management Costs	\$12,832,472	\$12,832,472	\$12,832,472	\$12,832,472	\$0
21	Administrative ROW Costs	\$1,016,571	\$1,016,571	\$793,865	\$981,934	\$34,637
76	Administrative/Management Art Program Costs	\$549,061	\$549,061	\$234,041	\$501,189	\$47,872
12	Administrative/Management - PMC	\$32,736,326	\$32,736,326	\$21,653,782	\$33,684,591	(\$948,265)
4M	Administrative Vehicle Costs	\$1,337,322	\$1,337,322	\$561,908	\$1,337,322	\$0
63	Construction Administration Services - PMC	\$4,581,527	\$5,081,527	\$2,539,229	\$4,215,771	\$865,756
	Program Management Consultant	\$53,053,279	\$53,553,279	\$38,615,297	\$53,553,279	\$0
10	PE Administrative/Management Costs	\$3,158,439	\$3,158,439	\$3,158,439	\$3,158,439	\$0
13	Administrative/Management - COP	\$2,986,000	\$5,448,000	\$4,994,625	\$5,451,406	(\$3,406)
64	Construction Administration Services - COP	\$8,347,000	\$5,885,000	\$2,952,003	\$5,881,594	\$3,406
14	Administrative/Management - COT	\$6,797,000	\$6,797,000	\$5,146,515	\$6,797,000	\$0
15	Administrative/Management - COM	\$897,000	\$897,000	\$263,164	\$897,000	\$0
	City Administration	\$22,185,439	\$22,185,439	\$16,514,746	\$22,185,439	\$0
75	Public Art Contracts	\$5,284,133	\$6,095,129	\$2,399,616	\$6,095,129	\$0
77	Art Program Contingency	\$999,000	\$188,004	\$0	\$188,004	\$0
	Public Art	\$6,283,133	\$6,283,133	\$2,399,616	\$6,283,133	\$0
70	Start-Up and Testing	\$31,000,000	\$30,000,000	\$65,107	\$26,000,000	\$4,000,000
80	Unallocated Design Contingency	\$7,575,241	\$0	\$0	\$0	\$0
85	Project Reserve	\$69,829,000	\$10,607,071	\$0	\$7,288,789	\$3,318,282
SUBTOTAL		\$1,253,258,000	\$1,253,258,000	\$627,956,347	\$1,272,125,346	(\$18,867,346)
90	Financing Costs	\$158,867,346	\$158,867,346	\$5,717,401	\$140,000,000	\$18,867,346
TOTAL CP/EV PROJECT		\$1,412,125,346	\$1,412,125,346	\$633,673,748	\$1,412,125,346	\$0

Plan versus Actual Costs

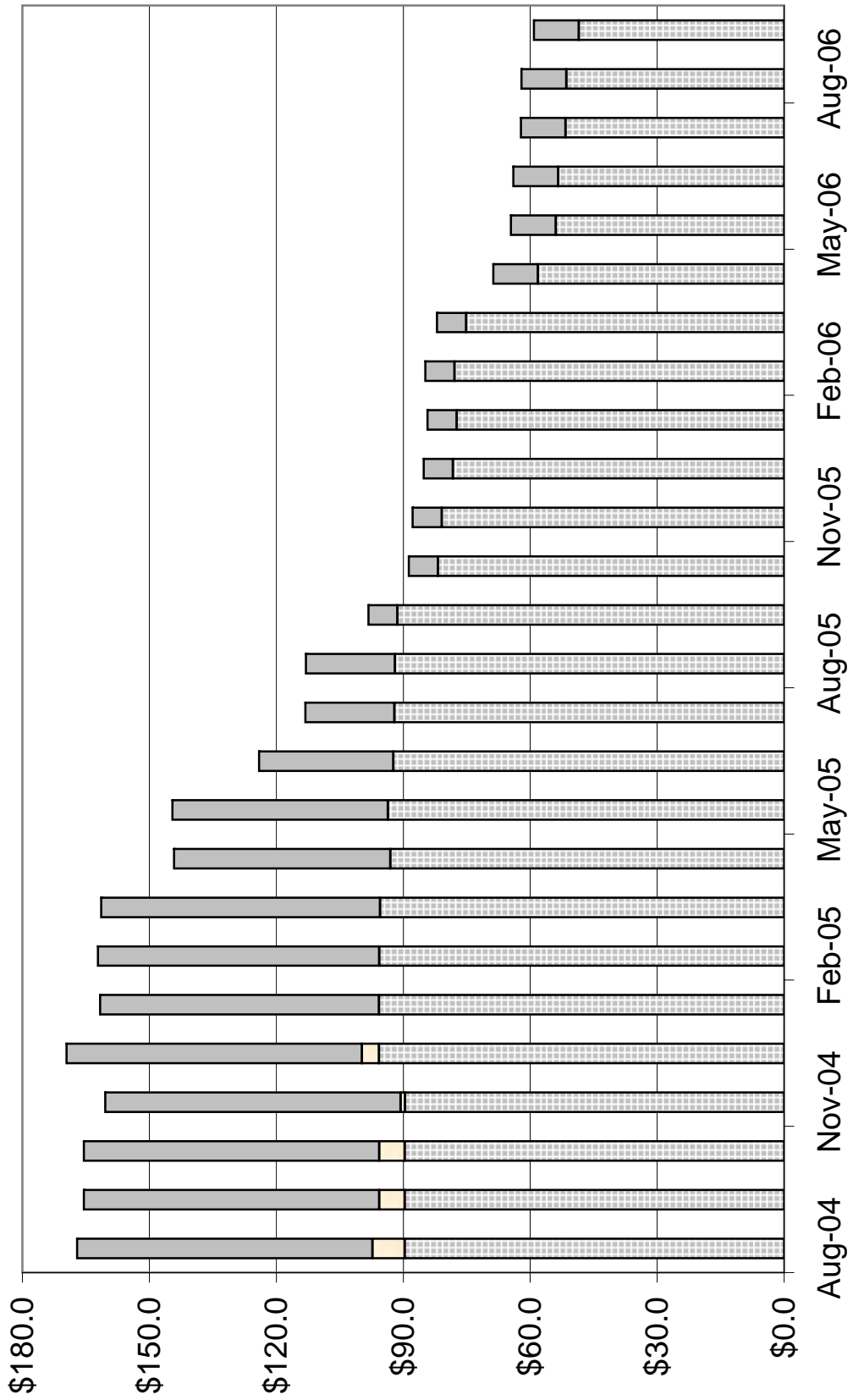


Current versus Baseline



CP/EV LRT Contingency Drawdown

\$ Million



- Change Order Contingency
- Unallocated Design Contingency
- Project Reserve

Valley Metro Rail Program Control
 CP/AV LRT Project
 Project Budget Status
 CNPA Project

2006_09

Element	Description	Jan 2006		Current Actuals (To Date)	Forecast	Variance
		Approved Total	Revised Budget/Estimate			
A1	Bus Bays (LS2)	\$806,300	\$806,300	\$755,507	\$965,311	(\$159,011)
A2	Phoenix Art Museum Left Turn Signal	\$108,770	\$108,770	\$0	\$108,770	(\$0)
A5	19th/MonteBell Transit Center (SF)	\$6,344,743	\$6,344,743	\$2,273,413	\$5,562,567	\$782,176
A6	117 Central/Cameback Transit Center (SF)	\$6,968,744	\$7,018,744	\$1,921,015	\$6,678,579	\$340,165
A7	44th Street/Washington Transit Center Real Estate	\$4,649,580	\$4,649,580	\$2,680,145	\$4,900,509	(\$250,929)
B1	Washington Street Bike Lane (LS4)	\$881,613	\$906,604	\$541,499	\$930,257	(\$23,653)
F4	City Plaza Track Support System	\$2,208,231	\$2,208,231	\$157,475	\$2,208,231	(\$0)
F5	Additional Water Services to the Pueblo Grande Museum - LS4	\$89,285	\$89,285	\$62,262	\$89,285	(\$0)
F6	Central/Cameback Bus Bays Rehabilitation	\$7,500	\$7,500	\$0	\$200,565	(\$193,065)
F7	COP Landscape Irrigation Restoration Central Ave	\$75,000	\$75,000	\$0	\$108,702	(\$33,702)
FB	Fiber Optic Ductbanks	\$0	\$6,736	\$0	\$6,736	\$0
H1	Fiber Optic LS1	\$0	\$0	\$0	\$0	\$0
H2	Fiber Optic LS2	\$0	\$0	\$0	\$0	\$0
H3	Fiber Optic Backbone LS-3 (Phoenix portion)	\$287,174	\$213,922	\$11,016	\$213,922	\$0
H4	Fiber Optic Backbone LS-4 (Phoenix portion)	\$269,395	\$154,479	\$19,128	\$154,479	\$0
J6	Washington/Jefferson 16th to 26th Street Property Access	\$3,932,769	\$4,032,015	\$819,195	\$4,129,599	(\$97,584)
Sub Total Public Transit Department		\$26,546,604	\$26,621,909	\$9,240,655	\$26,257,512	\$364,397
A3	6th Lane - Cameback (LS1)	\$9,820,210	\$9,820,210	\$7,255,110	\$9,820,210	\$0
D1	Additional Street/Pedestrian Lighting (LS3)	\$492,574	\$509,602	\$250,963	\$509,602	\$0
E3	Seal Coat versus Rubber Overlay (LS 1)	\$264,342	\$264,342	\$17,104	\$264,342	\$0
E4	Seal Coat versus Rubber Overlay (LS 3)	\$1,482,845	\$1,479,845	\$90,509	\$1,479,814	\$31
E5	Seal Coat versus Rubber Overlay (LS 4)	\$430,896	\$430,896	\$10,832	\$430,896	\$0
J6	Washington/Jefferson Large Vehicle Access	\$0	\$0	\$0	\$143,330	(\$143,330)
K3	Red Light Enforcement	\$0	\$0	\$0	\$37,685	(\$37,685)
K7	11th Street Loop Track	\$0	\$150,000	\$0	\$150,000	\$0
Sub Total Streets Department		\$12,490,867	\$12,654,895	\$7,624,518	\$12,835,879	(\$180,984)
A7	44th Street/Washington Transit Center (SF)	\$2,917,270	\$2,821,529	\$587,759	\$2,842,957	(\$21,428)
A7	Washington Street Transit Center Changes	\$906,881	\$0	\$0	\$0	\$0
D2	44th Street Station People Mover Foundation (LS4)	\$919,161	\$806,000	\$594,208	\$806,000	\$0
D6	People Mover - APS Duct Bank @ 40th Place	\$216,000	\$216,000	\$326,527	\$216,000	\$0
E9	10" Water Line at 42nd/Washington LS 4	\$67,735	\$61,269	\$47,020	\$61,269	\$0
F3	Archaeological/Hazardous Material Testing (CAC)	\$60,000	\$60,000	\$36,147	\$60,000	\$0
Sub Total Aviation Department		\$5,087,047	\$3,964,798	\$1,591,661	\$3,986,226	(\$21,428)
B3	LS 1 Water/Sanitary Sewer	\$9,900,351	\$8,793,300	\$1,347,742	\$8,793,300	\$0
B4	LS 2 Water/Sanitary Sewer	\$6,255,348	\$5,455,253	\$963,669	\$5,311,368	\$143,885
B5	LS 3 Water/Sanitary Sewer	\$15,367,099	\$14,462,098	\$7,596,092	\$14,536,820	(\$74,722)
B6	LS 4 Water/Sanitary Sewer	\$4,935,839	\$5,305,818	\$4,080,796	\$5,308,318	(\$2,500)
B7	Water and Sanitary Sewer Lines - 48th St. Bridge Replacement Contract	\$453,006	\$155,767	\$155,767	\$155,767	\$0
J1	Cathodic Protection for Waterlines LS1	\$1,187,352	\$1,099,400	\$84,775	\$1,099,400	\$0
J2	Cathodic Protection for Waterlines LS2	\$1,083,586	\$979,408	\$108,842	\$0	\$979,408
J3	Cathodic Protection for Waterlines LS3	\$29,192	\$0	\$0	\$0	\$0
J5	Cathodic Protection for Waterlines LS4	\$432,039	\$435,620	\$85,620	\$435,620	\$0
Sub Total Water Services Department		\$39,643,811	\$36,686,664	\$14,423,303	\$35,640,593	\$1,046,071
Total - Phoenix		\$83,768,329	\$79,928,266	\$32,880,137	\$78,720,210	\$1,208,056

Valley Metro Rail Program Control
 CP/EV LRT Project
 Project Budget Status
 CNPA Project

Element	Description	Jan 2006		Revised Budget/Estimate	Current Actuals (To Date)	Forecast	Variance
		Approved Total	Actuals				
A8	5th College Transit Center	\$735,400	\$658,992	\$759,989	\$658,992	\$763,154	(\$3,165)
AA	COT SRP Prior Rights TC Rebaton	\$0	\$0	\$244,080	\$0	\$244,080	\$0
B8	Tenace /Apache W aterine Coordination (Design Only)	\$38,105	\$35,577	\$38,105	\$35,577	\$38,105	\$0
C1	Additional Communications Conduits	\$24,000	\$24,271	\$32,499	\$24,271	\$32,499	\$0
C2	COT ASU Pedestrian Signal	\$0	\$58,158	\$123,637	\$58,158	\$123,637	\$0
C7	Parking Facility 5th/Famer	\$116,990	\$110,207	\$116,990	\$110,207	\$110,207	\$6,783
D4	COT Additional Street Lighting (LS5)	\$345,014	\$199,949	\$345,014	\$199,949	\$345,014	\$0
E5	COT Rubberized AC Overlay LS4	\$671,372	\$0	\$523,214	\$0	\$523,215	(\$1)
E6	Rubberized Asphalt LS5	\$624,873	\$0	\$624,874	\$0	\$624,874	\$0
F2	McCintock /Apache Storm Drain	\$200,129	\$42,667	\$611,695	\$42,667	\$611,695	\$0
FB	Fiber Optic Ductbanks	\$0	\$0	\$3,967	\$0	\$3,967	\$0
H4	Fiber Optic Backbone LS 4 (Temp portion)	\$185,372	\$15,000	\$173,054	\$15,000	\$188,054	(\$15,000)
H5	Fiber Optic Backbone LS 5 (Temp portion)	\$237,901	\$22,519	\$200,467	\$22,519	\$200,467	\$0
J4	Catholic Protection of W aterine LS4 CO #15	\$158,637	\$109,791	\$158,638	\$109,791	\$158,638	\$0
J9	University Drive Station Bus Interface	\$509,186	\$0	\$509,186	\$0	\$509,186	\$0
K1	Veterans Way-5th College TC	\$0	\$1,882	\$7,645	\$1,882	\$7,645	\$0
K2	Bus Shelter Electrification	\$0	\$0	\$11,076	\$0	\$11,076	\$0
K4	Washington Center Parkway Station	\$0	\$124,042	\$143,524	\$124,042	\$143,524	\$0
N4	Temp Market Analysis	\$0	\$0	\$44,378	\$0	\$44,378	\$0
XX	Temp Miscellaneous Force Account Work LS5	\$0	\$10,708	\$20,000	\$10,708	\$20,000	\$0
	Sub Total Temp	\$3,846,979	\$1,413,763	\$5,984,032	\$1,413,763	\$5,995,415	(\$11,383)
A9	Main Sycamore Transit Center	\$5,531,609	\$1,483,118	\$5,531,611	\$1,483,118	\$5,531,587	\$24
FB	Fiber Optic Ductbanks	\$0	\$0	\$8,593	\$0	\$8,593	\$0
H3	Fiber Optic Backbone LS 3 (Mesa portion)	\$271,270	\$4,490	\$269,091	\$4,490	\$269,091	\$0
H4	Fiber Optic Backbone LS 4 (Mesa portion)	\$229,216	\$0	\$230,308	\$0	\$230,308	\$0
H5	Fiber Optic Backbone LS 5 (Mesa portion)	\$297,345	\$0	\$263,878	\$0	\$263,878	\$0
N3	Mesa Market Analysis	\$0	\$0	\$18,542	\$0	\$18,542	\$0
XX	Mesa Miscellaneous Force Account Work LS5	\$0	\$2,738	\$5,000	\$2,738	\$5,000	\$0
	Sub Total Mesa	\$6,329,442	\$1,490,346	\$6,327,023	\$1,490,346	\$6,326,999	\$24
H1	Fiber Optic Backbone LS 1	\$0	\$0	\$27,987	\$0	\$27,987	\$0
H2	Fiber Optic Backbone LS 2	\$0	\$9,200	\$91,367	\$9,200	\$91,367	\$0
H3	Fiber Optic Backbone LS 3	\$228,371	\$4,043	\$265,288	\$4,043	\$262,128	\$3,160
H4	Fiber Optic Backbone LS 4	\$183,411	\$0	\$214,061	\$0	\$214,061	\$0
H5	Fiber Optic Backbone LS 5	\$465,458	\$173,350	\$236,497	\$173,350	\$236,497	\$0
H6	Fiber Optic Communications Signals	\$0	\$0	\$365,279	\$0	\$365,279	\$0
	Sub Total ASU	\$877,239	\$186,593	\$1,200,479	\$186,593	\$1,197,319	\$3,160
E1	(APS) DuctBank at 48th St. Utility Bridge, Archaeological Support	\$174,649	\$57,870	\$278,331	\$57,870	\$62,342	\$215,989
E8	CNPA Non City Project Reserve	\$0	\$0	\$0	\$0	\$0	\$0
F8	Rob Lofis Property	\$0	\$0	\$0	\$0	\$81,998	(\$81,998)
FB	Fiber Optic Ductbanks	\$0	\$0	\$8,593	\$0	\$8,593	\$0
	Sub Total Other	\$174,649	\$57,870	\$286,924	\$57,870	\$152,933	\$133,991
	Grand Total CNPA	\$94,996,638	\$36,028,709	\$93,726,724	\$36,028,709	\$92,392,876	\$1,330,688



3. Schedule Overview

The current Status of the Master Schedule is based on a data date of October 1, 2006. The current forecast continues to be an on-time Program completion date of Saturday, December 27, 2008.

Line Section Contracts 1 and 2 continue to have right-of-way, cost to cure and private utility relocation issues that have impacted access dates and interim Milestones. Metro management continues to aggressively manage these issues, resulting in minimum impact to the overall Program Schedule/or contract milestones. To date, the Program has been successful in mitigating delays with a minimum of acceleration to Civil Contracts.

During the last month, follow-up meetings continued with the Line Section Contracts, TES, S&C and Station Finishes. These reviews are focused on the development of the contractors revised detail schedules, supporting the new Master Schedule.

During the month of September, 2006, there were no major contract procurement activities

Revised Baseline Preliminary Schedule Highlights:

Civil:

Line Section 1 Completion:	February, 2008
Line Section 2 Completion:	December, 2007
Line Section 3 Completion:	January, 2008
Test Track Completion:	February, 2007
Line Section 4 Completion:	December, 2007
Line Section 5 Completion:	March, 2008
Maint/Storage Facility Completion:	January, 2007
Tempe Town Lake:	August, 2006
Station Finishes:	October, 2008
Park and Ride	October, 2008

Systems:

Signals and Communications:	October, 2008
Fare Collection:	November, 2008
Traction Electrification:	August, 2008



Startup:

Start Integrated Testing Area 1 Washington/Jefferson/25th St to 5th St/College

(All of LS-4, parts of LS-3 & LS-5): March, 2008

Start Integrated Testing Area 2 Balance of LS-3 and Balance of LS-5

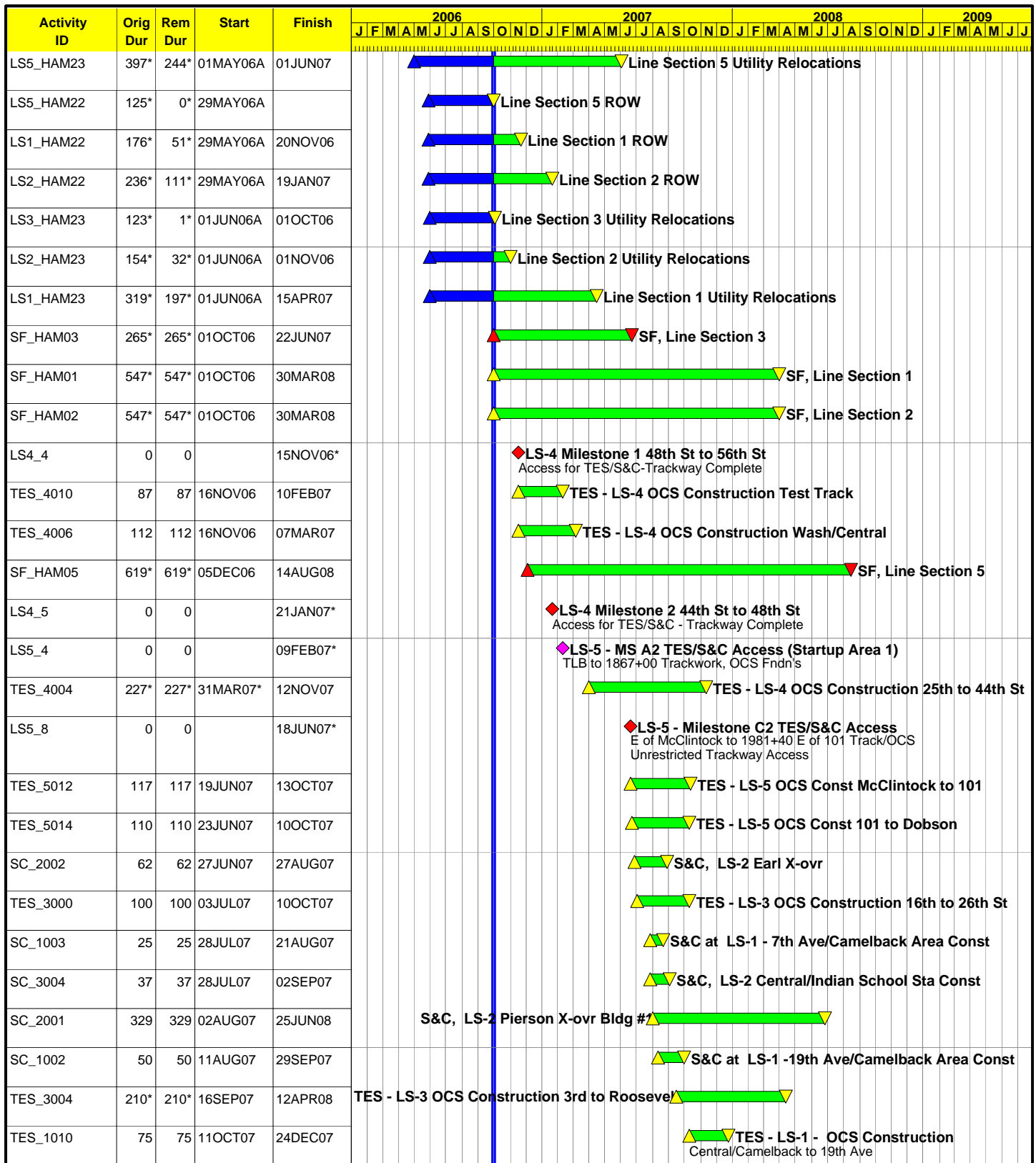
June, 2008

Start Integrated Testing Area 3 All of LS-2 and LS-1

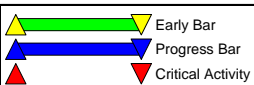
July, 2008

Critical Path(s):

The Program critical Paths run through Right of Way and Private Utility relocations in the Line Sections to the completion of the Station Foundations in the Line Sections, through the Completion of the stations to a point that the Signals and Communications Contractor can install the signals equipment and wiring, through the completion of the track-way in the Line Sections, thru the installation of the Overhead Contact System (OCS) to the Phased Integrated Testing, to the Completion of the Safety Certification, to Pre-Revenue Operations to the Revenue Service date of late December, 2008.



Start Date 01AUG04
 Finish Date 26DEC08
 Data Date 01OCT06
 Run Date 06OCT06 08:51



6010
 Valley Metro Rail
 Central Phoenix/East Valley LRT
 Revised Master

Sheet 1 of 2
 Critical Path



Procurement Bid Status Report as of 9/28/06

Title	Issue Date	Pre-Bid Conf	Bid Opening	Board Award	NTP (Anticipated)
PART I - CP/ENV LRT PROJECTS					
Park and Rides <i>(Tentative)</i> Note: significant delays in the IFB due to the design hold for the Central & Cambridge site	04/06/07	04/24/07	06/06/07	07/18/07	08/06/07
LRT Vehicle Maintenance - RFP	04/20/06	05/03/07	06/20/06	10/18/06	11/20/06
LRT Systems and Facilities Maintenance - RFP	TBD	TBD	TBD	TBD	TBD
LRT Transportation Services - RFP	04/27/06	05/16/06	06/27/06	11/15/06	12/18/06
Legal Services	05/19/06	NA	07/12/06	TBD	TBD
Legal Services (Small Claims)	05/19/06	NA	TBD	TBD	TBD
Maintenance Management Information System	07/10/06	07/24/06	08/28/06	12/20/06	01/15/07
IT Network Equipment - Re-bid	09/25/06	NA	10/16/06	11/15/06	11/24/06
On Call Printing Services	TBD	TBD	TBD	TBD	TBD
Modular Furniture for MSF - IFB	08/14/06	08/21/06	08/29/06	09/20/06	10/02/06
MSF Spray Paint Booth Manlifts - IFB	08/21/06	NA	09/07/06	NA	10/02/06
Power Consulting Services	TBD	TBD	TBD	TBD	TBD
Telecommunications Services at MSF	07/26/06	NA	08/28/06	NA	09/18/06
PART II - LONG RANGE DEVELOPMENT PROJECTS					
Planning, Conceptual Engineering, and Environmental Studies for Future Light Rail Extensions	08/10/06	08/30/06 & 09/26/06	10/18/06	01/17/07	02/12/07
Northwest LRT Extension Engineering Services	10/11/06	10/23/06	11/10/06	02/21/07	03/01/07



4. Quality Assurance

Description

The METRO Quality Assurance Manager is responsible for the establishment and implementation of a Quality Assurance Program for the METRO organization that meets the requirements of the Federal Transit Administration and provides adequate confidence that procured materials and services meet the technical and quality requirements of the project. The METRO Quality Assurance Manager is assisted by the Quality Assurance Managers for the GEC for design, the GEC for LRT Vehicle procurement and the CAC for construction, installation, inspection and testing.

Individually and collectively, the Quality Assurance Managers are responsible for ensuring the effective implementation of the Quality Assurance Programs for their respective organizations and contractors. The Quality Assurance Managers are responsible for approval of quality programs, assessment of compliance with quality programs through inspections, audits and surveillances and for identifying nonconforming materials, parts and services and assuring effective corrective action.

Progress

QUALITY MANUALS REVIEWED:

- Station Finishes QC Plan was approved as noted.
- LS1 QC Plan was resubmitted for review, with minor comments. Resubmittal due in October. Comments do not affect quality of construction activities.

QUALITY ASSURANCE AUDITS/SURVEILLANCES:

- The CAC commenced an audit of the TLB closeout activities. The scope of the audit is verification of compliance with Spec 01770, "Closeout Procedure," and Spec 01789, "Contract Record Documents". While some closeout activities have been completed, others are still in progress. The Audit will be left open and resume as necessary to allow all items to be completed.
- The CAC conducted an audit of the TES Resident Engineers' activities for compliance with the quality aspects of the CAC Resident Engineers Manual. The scope of the audit was contract drawings, daily diary and weekly report, Contractor submittals, file system, records, NCR process, material sampling and testing, and oversight inspection. Two minor audit findings were issued.
- The CAC conducted an audit of the LS1 Contractor. The scope of the audit was receipt inspection, material identification and traceability, contract record documents, and material test reports. The Contractor was found to be in full compliance with the requirements. No audit findings were issued.



- The CAC conducted an audit of the LS2 Contractor. The scope of the audit was document control, test plan, preparatory meetings, M&TE control, and NCR and QARF response. Two minor audit findings were issued.
- The CAC performed surveillance of the OCS Pole fabricator, SSP in Ft. Worth, Texas to witness OCS Pole Deflection testing and inspection of OCS pole welding and paint. Issues were identified and have been forwarded to MEC Quality Assurance to resolve.
- A first article inspection was performed by the CAC at Trinity Metal Products for the Station Finish structural steel columns. In addition, Station Finishes Light Frames that were rejected on NCR 001 were re-inspected as well as new frames. Resolution is still pending, however, several frames will be scrapped and several will be repaired.

VEHICLE ACQUISITION

- Quality Manuals
 - No Quality Manuals reviewed during this period
- Audits
 - No Audits performed during this period
- Documents Reviewed
 - CDRL PHX-404, VMP 3.1.2, Rev. 0
 - CDRL PHX-434, VMP 3.1.17, Rev. 0
 - CDRL PHX-660, VMP 4.9.2, Rev. 0
 - CDRL PHX-662, VMP 4.9.3, Rev. 0
 - CDRL PHX-664, VMP 4.9.4, Rev. 0
 - CDRL PHX-666, VMP 4.9.5, Rev. 0
 - CDRL PHX-668, VMP 4.9.6, Rev. 0
 - CDRL PHX-672, VMP 5.1.1, Rev. 1
 - CDRL PHX-712, VMP 5.17.2, Rev. 2
- Inspections (U.S.)
 - PSI of Traction Motors at Everson Tesla
 - PSI of Windows and glass at NAG
 - PSI bellows at Hubner



- Re-FAI of Bumper at Hubner
- Inspection (Japan)
 - FAI of entire vehicle conducted in Osaka
 - Ongoing daily In process inspections (IPI)
 - Monitoring ongoing qualification and routine tests
- Meetings
 - No meetings attended this month.
- Open NCRs and Audit items
 - No NCRs generated during this reporting period. All previously generated NCRs have been closed.
- General Engineering Consultant
 - No GEC Audits were conducted in September

Cost and Schedule – Variance Analysis

- Quality Assurance activities remain within budget and on schedule.

Issues and Solutions

- Nonconformances on the OCS Poles are in the process of being technically reviewed by the GEC. Existing poles will be accepted for the MSF yard, however all poles on the alignment must meet identified technical requirements. Mitigation Plan was received, however, the GEC is still in the process of issuing concurrence of the plan.
- Two Quality Action Requests (QARs) were issued to Mass Electric on the Traction Electrification System Contract for lack of adequate inspection personnel; lack of inspection and surveillance reports, lack of inspection and failure to implement an internal and external audit program. Response was received and rejected and new draft response was received from Mass Electric and will be responded to by October 7th.
- Two flawed girder rails were discovered at the LS5 welding site. This item is essentially closed with the exception of two missing pieces of rail, and the submission of the final report. Resolution is being pursued.



5. Public Involvement

Description

The Public Involvement Section is responsible for sharing information on the Project with stakeholders along the light rail alignment, documenting questions and concerns expressed by these stakeholders and ensuring that appropriate Project staff addresses them, and providing answers and feedback to those stakeholders on the outcome. At this stage of the Project, PI Area Coordinators are working with stakeholders in their respective line sections to provide the latest information on the design plans with regard to right-of-way requirements, traffic circulation, landscaping, and locations for traction power substations and signal houses. They are also sharing information on business assistance programs with the owners and managers of businesses located along the light rail corridor.

Progress

- Construction in all five Line Sections continues to progress and Public Involvement Staff continues to meet and respond to various stakeholders addressing their concerns with construction.

BUSINESS ASSISTANCE

- Order and delivery of Courtesy Signage Program continues in all Line Sections. Through September, 366 signs and 277 banners (643 totals) have been issued for businesses in all five Line Sections. The following table illustrates the current distribution for this program:

METRO
Construction Signage/Banner Program
Overall Distribution

Line Section	Signs	Banners	Total
Line Section One (LS1)	24	52	76
Line Section Two (LS2)	62	53	115
Line Section Three (LS3)	160	54	214
Line Section Four (LS4)	29	32	61
Line Section Five (LS5)	91	86	177
Totals	366	277	643



METRO Business Outreach Program

The following is a break down of **Phoenix** business outreach statistics as of October 1, 2006:

- METRO Max Program Participants – **129** businesses
- Construction Signage Program – **643** Total (366 signs and 277 banners)
- Management Technical Assistance (MTA) Program – **197** businesses
- ASU Market Needs Assessment - **90** businesses (78 Complete / 12 In-Progress)
- SELF Seminars / Micro Loan Assistance – **22** Businesses
- SBDC One-on-One Consultation - **15** Businesses
- Prestamos – Chicanos Por La Causa – **2** Businesses

COMMUNITY ADVISORY BOARDS (CAB) - Meetings are scheduled on a monthly basis to evaluate the contractor's efforts to go "above and beyond" the contract specifications during light rail construction.

LS-1

- LS 1 conducted its Community Advisory Board (CAB) meeting on Tuesday September 12th, at AmeriSchools Academy. CAB Members welcomed a new member to the group: Terri Schouten representing Medlock Place Neighborhood Association. METRO's, Al Field, Utility Coordinator, presented an overview of the third party utility work occurring in Line Section 1. He highlighted what has and has not been completed and the timeframe for upcoming work. After the overview, Kiewit staff briefed the board on the upcoming restriction/closure of 19th Avenue and Camelback. Member discussed business losses since construction began. Board member Dan Abrams suggested CABs work together to petition the county for a tax break during construction. An overview of METRO's and City of Phoenix's business outreach programs will be presented at the October meeting. Kiewit received an overall rating of 100 percent, for their effort for going "above and beyond" the contract specifications. The next LS 1 CAB meeting is scheduled for Tuesday, October 10th.

LS-2

- LS 2 held their monthly meeting Tuesday September 19th, at Brophy College Preparatory. CAB members welcomed two new members to the group: Bruce Kern representing Carnation Neighborhood Association and Chris Bianco representing Pane Bianco/ Lux Coffee Shop/ Passage Boutique/ Central Pawn Shop. Members of the community voiced concerns with the closure at the Grand Canal Bridge, notification, and the verbiage and placement of variable message boards. METRO's Resident Engineer for LS 2, Matt McMenamin and



Herzog's Project Manager, Pat Gray explained the process of welding rail while video taken of Herzog's welding activities was presented. Members asked questions regarding how the rail will be transferred from the yard to its final location. Herzog received an overall rating of 90 percent. The next LS 2 CAB meeting is scheduled for Tuesday, October 17th.

LS-3

- LS 3 held its monthly meeting on Tuesday, September 12th, 2006. Members of the community addressed the CAB on various construction-related issues and conditions, such as increased crime and transients in the eastern part of the line section; access issues at a few crosswalks; notification of work and access to parking issues at the Post Office. Archer Western Contractors (AWC) delivered their contractor presentation, highlighting the progress and successes that they have achieved during the last month, and described future track work timelines for each segment. The presentation also included a list of future intersection closures. AWC received an overall rating of 70 percent. The next LS 3 CAB meeting is scheduled for Tuesday, October 10th in the METRO Board Room.

LS-4

- LS 4 held their monthly CAB Meeting on Wednesday, September 13th, at Papago Buttes Corporate Plaza. Mr. Patrick Fuller, METRO's General Engineering Consultant (GEC) Project Manager, provided an overview on traffic signals and operations of the signal control. He explained "predictive priority" and how the traffic signals will respond to the transit vehicle. Mr. Erik Yingling, Project Manager for SSWJV, reviewed the contractor presentation. He presented photos of the yard leads, of crews pouring track (he noted they are pouring 700 to 1,000 feet of track a week now), and of sidewalk, curb and gutter grading. He said work is continuing for the station at Priest and explained "bathtub" track (special track) so the light rail vehicle can move in and out of the MSF building. He noted advanced utilities are heading west and also explained upcoming traffic plans for September to mid-November. The LS 4 CAB gave a recommendation of 100 percent of the incentive available to Sundt/Stacy and Witbeck Joint Venture, for going "above and beyond" the contract specifications for the month. The City of Tempe reminded CAB members about the unveiling and lighting of the Tempe Town Lake Bridge on December 9, 2006. LS 4's next CAB meeting is scheduled for Wednesday, October 11th at Papago Buttes Corporate Center @ 3 p.m.

LS-5

- LS 5 CAB conducted its meeting on Thursday, September 14th, at the Escalante Community Center. CAB Members requested that an Action Plan for exit surveys be developed by METRO to ensure that mitigating concerns are addressed by the Contractor. CAB Member Ray Devine request additional notification for Victory Acres and Escalante neighborhoods regarding existing and upcoming the road. A recommendation of 100 percent of the incentive available to Sundt/Stacy and Witbeck Joint Venture was recommended by the LS5 CAB. The next LS5



CAB meeting is scheduled for Thursday, October 12th and has been relocated to the Escalante Community Center in Tempe @ 7:30 a.m.

Cost and Schedule – Variance Analysis

- Public Involvement activities remain on schedule.
- Scheduled CAB Disbursement remains the same as the previous month:

Total Available Incentive: **\$2,500,000.00** (10 Quarterly disbursements)

Total Miles of Street with LRT: 23.53 miles

Allocation per Mile: \$106,247.34

Total CAB Disbursement through September remains at **\$ 836,473**

Line Section	Total Amount Available	Available for Award to Date	Total Award to Date	% Award to Date
LS-1	\$241,181.00	\$ 48,236	\$ 48,236	100%
LS-2	\$317,680.00	\$ 95,304	\$ 92,127	97%
LS-3	\$865,916.00	\$346,366	\$277,093	80%
LS-4	\$567,361.00	\$283,680	\$266,659	94%
LS-5	\$507,862.00	\$152,358	\$152,358	100%

Issues and Solutions

- None at this time.



6. Disadvantaged Business Enterprise Program

Description

Description

It is the Disadvantaged Business Enterprise (DBE) Program Section's responsibility to administer the DBE participation requirements mandated by the Federal Government as a condition of the receipt of funding. These participation requirements are established by the City of Phoenix Equal Opportunity Department through the DBE Program Plan and are conveyed to METRO, as a sub-recipient, through the Civil Rights Office of the Public Transit Department.

The DBE Program Section is responsible for ensuring that procurement and contract language, specific to the program, accurately reflects current requirements. During the procurement process, the DBE Program Section is responsible for responding to Requests for Information, presenting the DBE documentation requirements at pre-bid conferences, and conducting contractor and DBE subcontractor training sessions. At Bid Opening, the accuracy of DBE documentation submitted with each bid must be verified and each bidder must be found either responsive or non-responsive. Upon contract execution, pre-construction meetings are held and reporting/compliance requirements are addressed in more detail. Monthly utilization reports are submitted by each prime contractor and are reviewed by the DBE Program Section. Field issues and variances in the planned utilization are addressed on an on-going/as-needed basis. In order to ensure adequate DBE participation and the availability of DBE contractors, on-going outreach activities are also conducted to facilitate networking of DBEs with prime contractors and to encourage DBE certification of non-certified small businesses.

Progress

- DBE participation based on amounts originally awarded is 13.84 percent, participation including change order work is at 14.31 percent and DBE's have been paid 12.10 percent of construction dollars to date. Final proposed DBE participation levels will be established once the outstanding construction procurements of Park-N-Rides and Miscellaneous Construction have been completed.

Procurement Activities

- There are no DBE-related procurement activities this period.

Outreach Activities

- The DBE Outreach Advisory Committee did not meet during the month of September. The next meeting is scheduled for October 3rd to prepare for the Profiles in Diversity event October 5th.
- A "Profiles in Diversity" event has been scheduled for October 5, 2006. This event will be held at the Wyndham from 4:00 to 6:00 p.m. and coincide with the



United Latino Business Coalition Awards Banquet which will be held later than evening. The purpose of this event is to highlight the work of the small, minority, and women owned businesses that are contributing to METRO's success. It will also recognize the efforts of our general contractors and consultants who continue to ensure that opportunities are provided. Formal invitations will be sent to METRO and participating City leadership, as well as prime contractors and consultants, the DBE Outreach Advisory Committee and their Boards of Directors, and DBE subcontractor and subconsultants who have contributed to the METRO program.

Cost and Schedule – Variance Analysis

- DBE activities remain within budget and on schedule.

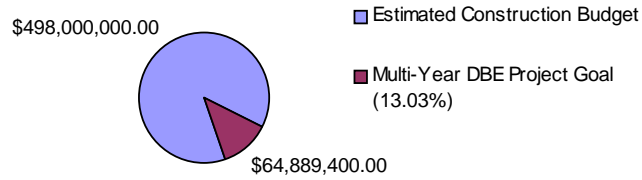
Issues and Solutions

- There are no issues this reporting period.

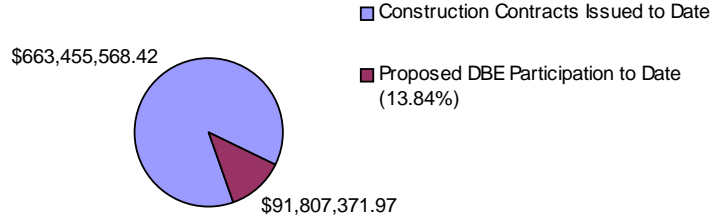


DBE Program Overview

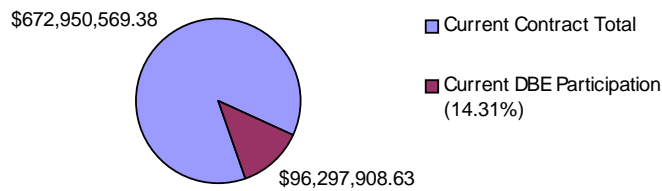
DBE Program Overview



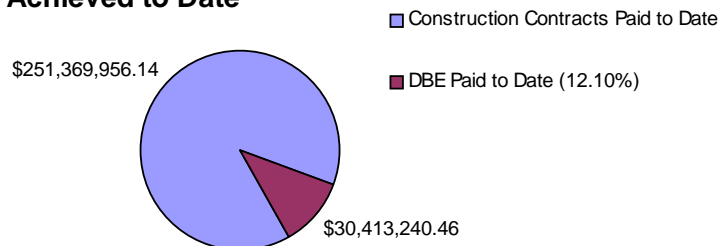
Original Contract Amounts



Current Participation



Achieved to Date





7. System Safety and Security

Description

The System Safety and Security Department is responsible for establishing requirements for the identification, evaluation, and minimization of safety and security risks throughout all phases of the project, including revenue operations.

The Section has developed and is administering provisions of the System Safety Program Plan, the System Security Program Plan, and the Safety and Security Certification Plan.

Progress

- Participated in commissioning efforts for the MSF.
- Reviewed safety and security certification checklists for Line Sections 1 and 4.
- Participated in events surrounding fatal collision involving a Tempe Police motorcycle officer in Line Section 5.
- Completed set-up and implemented emergency notification process for construction accidents.
- Resolved the pedestrian trespassing problem on the Town Lake Bridge
- Incorporated PMOC safety and security consultant revisions of the Safety and Security Certification Plan.
- Participated in the First Article Inspection of the Light Rail Vehicle at the Kinkisharyo plant in Osaka, Japan.
- Participated in the FTA State Safety Oversight Workshop in Salt Lake City, Utah.
- Continued with the process to develop light rail codes and ordinances for traffic, public conduct, and fare inspection enforcement with the City of Phoenix Law Department.
- Conducted the Fire/Life Safety and Security Committee meeting.
- Conducted the Safety and Security Certification Review Committee meeting.

Cost and Schedule – Variance Analysis

- Safety and Security activities remain within budget on schedule.

Issues and Solutions

- None



8. Environmental Management

Description

During design and construction, the Environmental Manager is responsible for overseeing the compliance with federal and State environmental laws/regulations, the Project's environmental/historic preservation obligations, implementing the requirements of the Final Environmental Impact Statement (FEIS), Record of Decision (ROD), and Section 106 Memorandum of Agreement.

The Environmental Manager is also responsible for review of all proposed Project changes to determine if the proposed change is consistent with the Project Definition as stated in the FEIS and to determine if the change presents any environmental impact not addressed in the FEIS/ROD. If a proposed change results in potential new impacts, the Manager shall document those impacts and secure FTA concurrence with the change, definition of impacts and proposed mitigation.

Progress

Archaeology

- Provided archaeological monitoring in LS 2, 3, 4 and 5 for all ground disturbance activities.
- As of September 29, 2006 we have discovered three cremations / 4 inhumations in Pueblo Grande (no new discoveries) and 35 cremations / 55 inhumations La Plaza –Tempe (one new discovery). Primary data recovery efforts have been in the Promenade area of the 5th and College Station. Archaeological recovery efforts continue to be adjusted to accommodate contractor's priorities. Currently scheduled to complete data recovery in Veterans Way 3rd week in October.
- ACS has provided 20 field archaeologist and two supervisors for excavation in the vicinity of Veterans Way. ACS has maintained schedule commitments. Field crews are being shifted to meet contractor's priorities. Primary work was shifted from guideway in Veterans Way to Promenade to accommodate ASU request to improve drive access for large trucks to football stadium.

Contaminated and Hazardous Materials

- The Soil Monitoring and Management Plan is being implemented for excavation at Central and Camelback. To date no materials have demonstrated contamination levels above residential standards. All excavated materials suitable for backfill can be reused on site or disposed at a designated landfill. Because of low levels of contaminants we have reduced monitoring to spot checks.
- Removed, disposed and closed underground storage tank (UST) at 22nd and Washington (LS 3).



- Investigated discovered 6 septic wells and tanks. Determined no environmental issues and requested contractor to over-excavate and backfill.

Regulator Compliance

- Conducted field observation of contractor compliance with dust control BMP. The Central and Camelback site is a potential trouble spot because of the multiple contractors working the site. AWC will maintain trackout and site watering until they are substantially complete with site excavation. Herzog must coordinate their excavation with AWC' dust control.

Cost and Schedule – Variance Analysis

Archaeology

Original Contract Value (CAC)	\$1,500,064
Approved Change Orders	\$400,000
Contract Value to date	\$1,900,064
Invoiced as of Sept 29, 2006	(\$2,752,985)
<u>Funds Available</u>	<u>(\$852,921)</u>

Note: overage to ACS contract is being paid by CAC from the Construction Administration Services budget based on authorization from METRO. Overage costs to be included in forthcoming Change Order to CAC.

Hazardous Materials Assessment (CAC)

Original Contract Value	\$499,488
Contract Value to date	\$499,488
Invoiced as of Sept 29, 2006	(\$218,566)
Task orders issued not invoiced	(\$12,650)
<u>Funds Available</u>	<u>\$268,272</u>



Remediation and Treatment Fund (METRO)

Budget	\$1,004,000
Expended or Committed	(\$175,680)
Data Recovery Report	(\$84,956)
ERI	(\$90,724)
<u>Funds Available</u>	<u>\$828,320</u>

Issues and Solutions

- **Issue:** Suspicious soils generated at Central and Camelback may have to be transported to Beatty NV for disposal due to presence of chemicals associated with dry cleaning. Preliminary cost estimate for transport and disposal is \$50,000 for an estimated 120 CY.

Solution: METRO and COP to evaluate alternative means to dispose of materials due to the low levels of contaminants and to see if a local land fills will accept the materials.

- **Issue:** Cost to complete archaeology monitoring and data collection (field work) is forecasted at \$3,719,500 total cost.

Solution: Costs to complete archaeology field work is included in the current CAC Forecast

- **Issue:** Archaeology technical reports(s) must be completed for project close-out. Current ROM of cost is \$1,500,000 to \$3,000,000.

Solution: We are preparing scope, schedule and cost estimate for this work. Costs will be funded from Misc. Construction budget or out of under utilized Archeology Investigations/Hazardous Material Removal budget.



9. Real Estate

Description

The LRT Project travels down main business arterials in the cities of Phoenix, Tempe and Mesa and approximately 783 parcels of property are affected. The number of right-of-way certifications required within this 20-mile corridor is in excess of 2,500. This number includes all easements required by the project, such as utility, irrigation, sidewalk, traffic, slope, landscape and temporary construction. Real Estate staff members from the project cities are responsible for obtaining all of the necessary property rights required to construct and operate the LRT system. Oversight and coordination of the cities' activities is provided by METRO Real Estate staff.

Progress

- Four additional parcels came under City control since last month, and 9 additional parcels became available for construction. Presently, 96 percent of the required properties are now under city control and 90 percent of the properties are available for construction. Extensive coordination between METRO and City staff has enabled the project to obtain these properties in a manner sufficient to support construction.
- In Line Section 1, 176 relocations have now been completed and only 3 remain. Three parcels came under City control for a total of 142. An additional five parcels were made available for construction for a total of 123. Line Section 1 contains a total of 153 parcels.
- In Line Section 2, all relocations have now been completed. One parcel was made available for construction for a total of 75. Line Section 2 contains a total of 94 parcels.
- In Line Section 3, only 5 relocations remain. A total of 258 parcels are now under City control and 241 parcels are available for construction. Line Section 3 contains a total of 260 parcels.
- In Line Section 4, all of the relocations have now been completed. 108 parcels are now under City control and 103 parcels are available for construction. Line Section 4 contains a total of 109 parcels.
- In Line Section 5, all of the relocations have now been completed. One parcel came under City control for a total of 162. Three parcels were made available for construction for a total of 161. Line Section 5 contains a total of 167 parcels.
- In Line Sections 1, 2, 3 and 4; eighteen building cut and re-faces were identified; thirteen have been completed and 5 are currently underway. These building modifications require a structural engineering analysis, architectural and utility modifications, the procurement of relevant contractors and an extensive permitting process.



- The City of Phoenix Ombudsman program continues to be a successful process for negotiating administrative settlements. As of the end of September, 243 ombudsman meetings have been held resulting in 216 settlements. This number represents a negotiated success rate of 89 percent.

An updated Real Estate Acquisition Summary sheet is included at the end of this section.

	5309	CNPA	Total
Budget	\$116,214,150	\$22,221,205	\$138,435,355
Available Contingency	\$ 19,570,480	\$ 1,753,931	\$ 21,324,411
Total	\$135,784,630	\$23,975,136	\$159,759,766
Spent To Date	\$114,572,085	\$17,318,039	\$131,890,123
Balance Available	\$21,212,545	\$6,657,097	\$27,869,643

Cost and Schedule – Variance Analysis

- Real Estate continues to be one of two key issues (utilities being the other) currently driving the project schedule and creating pressure on the ROD. The Cities are working diligently with METRO to improve and streamline processes wherever possible.
- The overall real estate forecast is still within the budget and actual costs are within the budget plus contingency for the real estate contract unit.

Issues and Solutions

- Only 25 parcels remain that are not yet under city control, and only 80 are not yet available for construction, although only a small number of these parcels are negatively impacting the construction schedule. The energy of the project team is focused where it is needed most. In all line sections there are some parcels that remain unavailable for construction, but the outstanding parcels in Line Section 1 are of the highest priority.



**CENTRAL PHOENIX / EAST VALLEY
LIGHT RAIL TRANSIT PROJECT
REAL ESTATE ACQUISITION SUMMARY**

September 30, 2006

ACTIVITY								
	1 PHX	2 PHX	3 PHX	4 PHX	4 TEMPE	5 TEMPE	5 MESA	Totals
Full Takes	40	0	9	2	0	12	0	63
Partial Takes	113	94	251	106	1	109	46	720
Total Affected Parcels	153	94	260	108	1	121	46	783
Projected Relocations	179	29	36	28	0	40	0	312
Title Reports Completed	153	94	260	108	1	121	46	783
Legals sent to City	153	94	260	108	1	121	46	783
Appraisals Requested	153	94	260	108	1	121	46	783
Appraisals Completed	152	94	260	108	1	121	46	782
Offers Made	150	93	260	108	1	121	45	778
Offers Accepted	99	65	224	85	1	88	36	598
Escrow Closed Acquisition Complete	93	49	196	85	1	84	23	531
Condemnation Filed	26	14	25	11	0	29	13	118
OIP Received	19	8	22	9	0	29	13	100
ROE Signed	30	31	40	13	0	8	5	127
Relocations Underway	3	0	5	0	0	0	0	8
Relocations Completed	176	29	31	28	0	40	0	304
Parcels Under City Control	142	88	258	107	1	121	41	758
Parcels Available for Construction	123	75	241	102	1	121	40	703
Parcels Pending Release for Construction	19	13	17	5	0	0	1	55



10. Utilities

Description

The METRO Utility Manager is responsible for managing and overseeing the relocation of all privately owned utilities (irrigation, natural gas, nitrogen lines, fiber optics, power, private force mains, private communication lines, private irrigation lines, cable television, and telecommunications) necessary to allow LRT construction, including those with and without prior rights. Utilities with prior rights include SRP Power, SRP Irrigation, Qwest (local and long distance), Southwest Gas, WiTel, MCI and APS. Relocation of privately owned utilities is performed by private utility companies and their contractors, preferably prior to beginning LRT construction. Relocation of publicly-owned utilities is accomplished within the civil construction contracts by METRO contractors.

Progress

- Line Section 1
 - Right-of-way availability continues to constrain utility and contractor activities. Acquisition progress is being made. The lack of access to properties at 19th Avenue and Camelback Road continue to restrict utility and contractor progress.
 - Previous Salt River Project Power (SRPP), claims of prior rights are disputed in several areas. SRPP has about 3 percent Prior Rights and 97 percent Non-Prior Rights on 19th Avenue. Things are a bit more complicated on the Camelback Road where approximately 50 percent are Prior Rights but are still being disputed.
 - The City of Phoenix has allowed re-routing of bus traffic from 19th Avenue between Campbell and Missouri and from Camelback Road between 23rd Avenue and 15th Avenue. Bus traffic will skirt the 19th and Camelback intersection for approximately one year allowing construction in this intersection to take place with nighttime closures of the intersection.
 - Southwest Gas (SWG) has completed most of the relocation work on Camelback Road. The newly installed gas lines cannot be placed in service and the old lines removed until the utility easement on Fry's property becomes available and SWG can work in that area. Qwest and SRPP cannot proceed until the SWG facility in the easement has been moved.
 - Salt River Project Irrigation (SRPI) continues with the installation of the irrigation structures on the project as right-of-way becomes available.
 - Salt River Project Power (SRPP) trenching on Camelback west from 9th Avenue has begun. Work has slowed for a private irrigation pipeline which must be removed.



- The private irrigation work was pending resolution of a siphon condition at 15th Avenue. The resolution has been made and a connection is established to the SRPI structure at 15th Avenue. The conflicting private pipeline is now being removed. A siphon condition at 11th Avenue is being re-constructed to eliminate the siphon at the owner's request.
- Re-sequencing of all wet and dry utility relocation issues on 19th Avenue has been completed and final plans are in the field.
- Twenty-four inch sewer construction will begin when SWG and SRPP trenching activities have moved far enough away to allow the excavation for the sewer to take place, currently estimated to be mid October.
- Forty-eight inch water plans have been delivered to the Resident Engineer and the contractor has ordered pipe.
- Southwest Gas continues relocations on 19th Avenue in multiple locations.
- The contractor's joint trenching for SRPP, Qwest and Cox continues.
- Qwest needs right-of-way availability to install a manhole near Spectrum Mall property.
- A private irrigation line crossing 19th at Montebello conflicts with the 45-inch water line that is not to be relocated since the re-sequencing. Alternatives continue to be investigated.
- **Line Section 2**
 - Utility conflicts and coordination issues are being addressed at bi-weekly meetings held in the field office. These meetings increase contractor communication, and utility company accountability.
 - Archer Western has completed placing APS and Qwest conduits at the Camelback Station site. Cox has started trenching and placing conduits.
 - The MCI Contractor continues to splice 432, 288 and 144 fiber optic cables. The LS2 Contractor activity has not been impacted.
 - APS acquired the two easements that were needed to relocate two major duct banks, one at Central Avenue and Thomas and the other at Central Avenue and Cambridge.
 - APS is currently pulling 12 kV cable at Central Avenue and Indian School Road. APS will need to remove the existing overhead which should be completed by mid October.
 - Salt River Project Water (Irrigation) will start placing pipe at Central Avenue and Mariposa mid-October of 2006.



- The project team continues to work with APS to implement design modifications of street lights and Station Finishes platform power supply. The weekly coordination meeting that is held with APS representatives has been instrumental in facilitating the necessary changes of this work.
- **Line Section 3**
 - Utility conflicts and coordination issues are being addressed at bi-weekly meetings held in the field office. These meetings increase contractor communication, and utility company accountability.
 - Level 3 has completed relocation of duct bank and manholes at 24th Street, 22nd Street, 18th Street, and 17th Street and Washington.
 - The City of Phoenix – ITD has completed their relocation of manholes and lowering of the duct bank in several areas.
 - AWC and METRO continue to meet with APS on a weekly basis to confirm revenue service design.
 - The project team continues to work with APS to implement design modifications as development pressures increase within the downtown area. The weekly coordination meeting that is held with APS representatives has been instrumental in facilitating the necessary changes of this work.
 - APS and Qwest continue their relocations at 23rd Street and Jefferson Street. Relocations are to be completed by mid November.
- **Line Section 4**
 - Utility conflicts and coordination issues are being addressed on an as-needed basis. These meetings increase contractor communication, and utility company accountability.
 - APS still needs to demo overhead facilities, and remove power poles on Washington Street between 32nd Street and 30th Street.
 - Southwest Gas needs to install several test points at SR143 and Washington.
- **Line Section 5**
 - Resolutions to utility issues are addressed weekly in the LS5 Utilities Coordination meeting.
 - SRP irrigation plans were modified at Rural and Tyler. The siphon was reduced at the request of METRO. The design would reduce the construction time frame in half. METRO also requested the same for Price Freeway and Apache Boulevard to a minimum depth that will allow SRP to expedite their work and avoid a major Qwest relocation.



- SRP Electric continues to trench and install street lights. The SRP electrical crossing at McClintock and Apache Boulevard is to be completed by mid October.
- If the LS5 contract is to be completed by the Master Schedule dates, then all advanced utility contracts need to be accelerated. The following dates are required for Salt River Project Power to complete their work and SRPP needs to accelerate the following jobs:
 - SRP Job No: JJC-5006, KJC-5010, KJC-3008 - McClintock to River to be completed by October 6, 2006
 - SRP Job No: SRP KJC-5012, KJC-3006 - Price to Tempe Canal to be completed by November 11, 2006
 - SRP Job No: SRP KJC-5011, JJC-5008, KJC-3011 - River to Price to be completed by December 31, 2006.
 - SRP Job No: SRP KEC-5000, JEC-5000 – Roosevelt to Dobson to be completed by January 31, 2007
 - SRP Job No: SRP KEC-5001, JEC-5001 - Dobson to Sycamore to be completed by February 28, 2007
- The LS5 Contractor is to start the 24-inch casing under the Union Pacific Railroad mid October.
- The Union Pacific Railroad needs to relocate a signal and a communication cabinet.

Traction Power Substations

- APS has started defining electrical easements that are still needed for Traction Power Substations. No. 3, 4, 5, 6, 7, 8, 10, 11 and 15.
- SRP has started defining their electrical easements. To expedite SRP Easements are being survey by SRP which should expedite the Legal and Exhibits for Traction Power Substations. No. 1, 2, 9, 12, 13 and 14.

New Electric Services Accounts

- APS electrical services for METRO have been established.
- SRP electrical services are being established for METRO.

Cost and Schedule – Variance Analysis

- Costs incurred to-date for prior rights utilities are within the Utility Budget. We are concerned that the budget for SRP Irrigation and SRP Power will run over budget due to material costs and the fact that traffic control costs have increased.



- Utility relocation continues to be one of two key issues driving the project schedule. Lack of available Right-of-Way and delays in completion of utility design have affected contractor construction schedules. METRO is working with the cities, the utility companies and the Contractors to develop strategies to streamline processes provide additional resources and create opportunities for work-around so that impacts to the Contractors' schedules are minimized.

Issues and Solutions

- Weekly meetings continue to address any conflicts and coordination issues. Meetings are being held at the field office to better effect contractor communication with utilities as well as make the utilities accountable
- Define APS and SRP Electric easements for the TPSS Site number 1 thru number 12 and number 14.
- Line Section 1 - SRP Irrigation easements have been defined but not all have been obtained. Several SRP Power easements are being revised due to METRO design revisions and new development projects. Parcel acquisitions and cost to cure items have been prioritized so as to coincide with the contractor's construction schedule and utility needs. METRO currently needs the access to Walgreen's, Fry's, Osco, and other parcels to allow the third party utilities and contract work to continue.
- Line Section 2 – MCI still needs to splice their fiber, which is a major process. Getting a window to do the cut over from primary customers has been a major challenge to MCI.
- Line Section 3 – Level 3 need to relocate several manholes. The contractor is working around this area to mitigate delays.
- Line Section 4 – METRO must ensure that all utility relocations within the test track are complete.
- Line Section 5 – SRP irrigation relocation, SRP Power, Qwest and Cox still hinders the LS5 Contractor.

Construction Photographs



SRP-Power under grounding 12 kV on Camelback Road in Line Section 1



SWG relocation 8-inch High Pressure Gas Main on 19th Avenue in Line Section 1

Prior Rights Utility Cost Status
Federal 15309 Project

	Percent	Budget	Earned	Cost to Date	Forecast
Line Section 1	56.0%	\$3,685,390	\$2,062,424	\$2,205,797	\$6,639,507
Line Section 2	71.3%	\$1,775,000	\$1,265,000	\$89,936	\$1,775,000
Line Section 3	82.2%	\$3,071,676	\$2,525,925	\$406,686	\$3,900,000
Line Section 4	89.4%	\$4,425,236	\$3,954,688	\$2,003,401	\$5,126,806
Line Section 5	56.3%	\$7,010,760	\$3,944,528	\$4,083,134	\$7,790,372
Maintenance Storage Facility	100.0%	\$320,230	\$320,230	\$397,876	\$397,876
Town Lake Bridge	100.0%	\$1,150,000	\$1,150,000	\$824,097	\$1,216,282
Sub Total		\$21,438,292	\$15,222,795	\$10,010,927	\$26,845,843
Contingency	0.0%	\$1,185,480	\$0	\$0	\$0
Total Prior Rights Utilities	67.3%	\$22,623,772	\$15,222,795	\$10,010,927	\$26,845,843

11. Architecture

Public Art



Description

Public art projects will be a part of all Station Finishes listed in Section 4.1.3 with the exception of the platform at 19th Avenue and Camelback. Additional artworks will be placed at the 19th Avenue and Camelback Park-and-Ride and at the Tempe Town Lake Bridge. Artworks will include stand alone sculptures, integrated architectural finishes, entryway canopies, lighting, paving and landscaping elements. Artists will install their work in conjunction with the Station Finishes, Park-and-Ride, and Town Lake Bridge construction schedule.

Progress

- Tempe Town Lake Bridge artist Buster Simpson installed his *Triologue* sculpture on the south beach. The concrete low wall was installed in concert with the Rio Salado/Tempe Art Center walkway. Buster will install his porcelain steel panels along the south wall in October or November of this year.



Cost and Schedule – Variance Analysis

- Public Art activities remain on schedule and within budget.

Issues and Solutions

- Continuing to monitor contract schedule issues.

Station Finishes



Description

The Station Finishes (SF) contract includes twenty-seven stations, four transit centers and installation of art pieces by twenty-seven artists. Amenities within the fully accessible stations include: shading trellises with overhead canopies, irrigated trees and landscape, patron seating and leaning rails, drinking fountains, map cases, directional signage and trash receptacles. Types of art pieces include stand-alone sculptures, paving treatments, lighting treatments and integrated art within the station structures.

The SF architects prepared the construction drawings in five separate packages that correspond to each civil line section. These documents along with an art reference volume have been combined together and are currently under construction.

System elements that are located in the station areas include: surveillance cameras (CCTV), a public address system (PA), emergency call boxes (ECB), variable message boards (VMB) and automated ticket vending machines (TVM).



Progress

- The Permit for Civil work was issued by the City of Phoenix for the 44th Street/Washington Transit Center thereby allowing underground and surface construction to commence with site clearing, grubbing, and installation of some underground utilities. Additional permits for constructing all remaining elements at this facility were issued in late September 2006.
- At the Mariposa Street Cul-De-Sac site, Herzog Construction is currently on the street installing water lines. Redesign of the SRP irrigation line is now being priced by the Line Section 2 Contractor, and this work has impacted Archer Western (Station Finishes). When Herzog completes the irrigation installation, Archer Western will get back onto Mariposa Street and complete all remaining new curb, gutter, paving and miscellaneous utilities.
- Construction is continuing on the physical links between couplet stations at Van Buren/1st Avenue and Central into the Central Station Bus Transit Center. This work includes the extension of platform/entry foundations which were turned over to the Station Finishes Contractor from Line Section 3 along with walkways, retaining walls and rework to the retention basins.
- A punch list was developed by Archer Western (Station Finishes) for the Van Buren/1st Avenue Station Foundation which is a requirement for turn-over of foundations by the Line Section Contractor. This will serve as a protocol of acceptance with other stations as they come on line from METRO Civil contracts. Line Section 3 has turned over seven foundations to Archer Western (Station Finishes) to begin the acceptance process.
- Once steel is fabricated, above-ground station structural construction at platforms and transit centers will begin by late 2006/early 2007. See Issues and Solutions below.
- A cost proposal (Change Notice No. 30) was received from Archer Western for ASU design additions at four METRO platforms in downtown Phoenix and Tempe. A meeting was scheduled for October 4, 2006 to finalize scope and budget of this work with reimbursement by ASU to METRO.
- All review comments were received by METRO from the City of Mesa Building Safety Division for the Sycamore/Main Transit Center construction permit. A second submittal of all documents is scheduled for early October 2006 with an anticipated permit ready for pick-up by Archer Western at the end of this month.
- The second Station Finishes Partnering Session between METRO, Archer Western and City staff is scheduled for October 12, 2006.
- All outstanding City of Phoenix permits are ready for pick-up by Archer Western except at Montebello/19th Avenue Transit Center. See Issues and Solutions below.



Cost and Schedule – Variance Analysis

- METRO and Archer Western Contractors are in negotiation to finalize the revised Station Finishes construction schedule as determined by Change Order No. 3.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

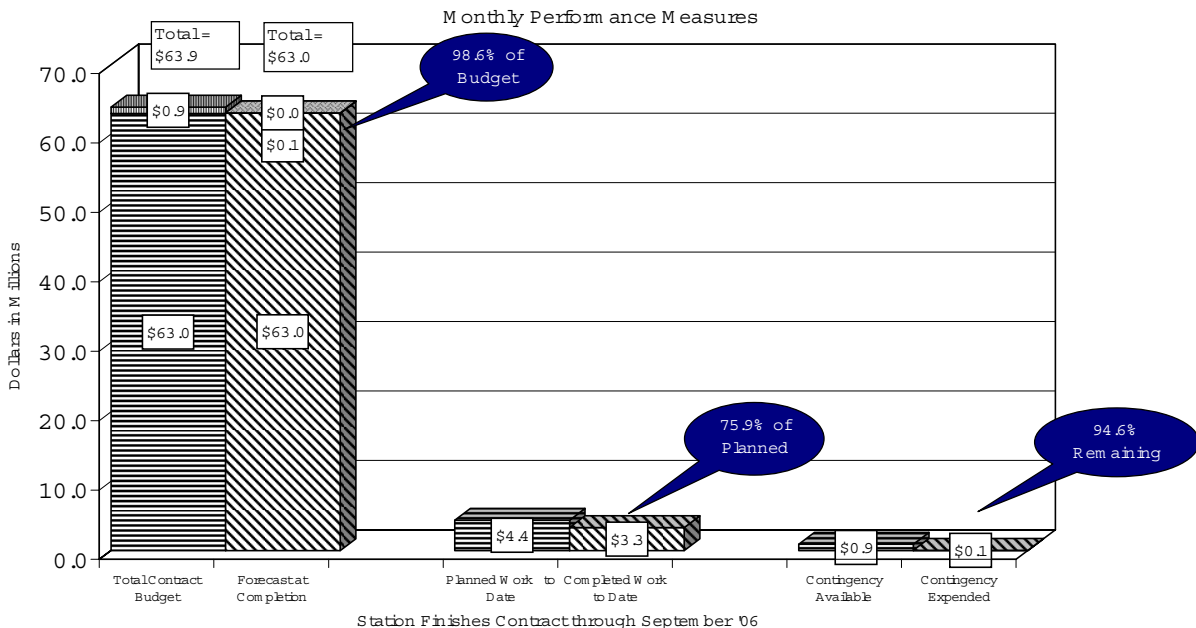
Issues and Solutions

- Right of Entry for Spectrum Mall has been re-negotiated into a purchase agreement by the City of Phoenix to provide needed Right of Way for the METRO LRT. However, the final marked-up legal agreement has still not yet been signed by either party, but anticipated kick-off remains expected for October 2006. This has continued to delay Station Finishes construction and receipt of a building permit for this site.
- The First Article of Inspection for Station Steel columns was rejected by METRO in September 2006. Archer Western Contractors is resolving the problem by hiring a new local steel fabricator to produce this work within their revised contract schedule.



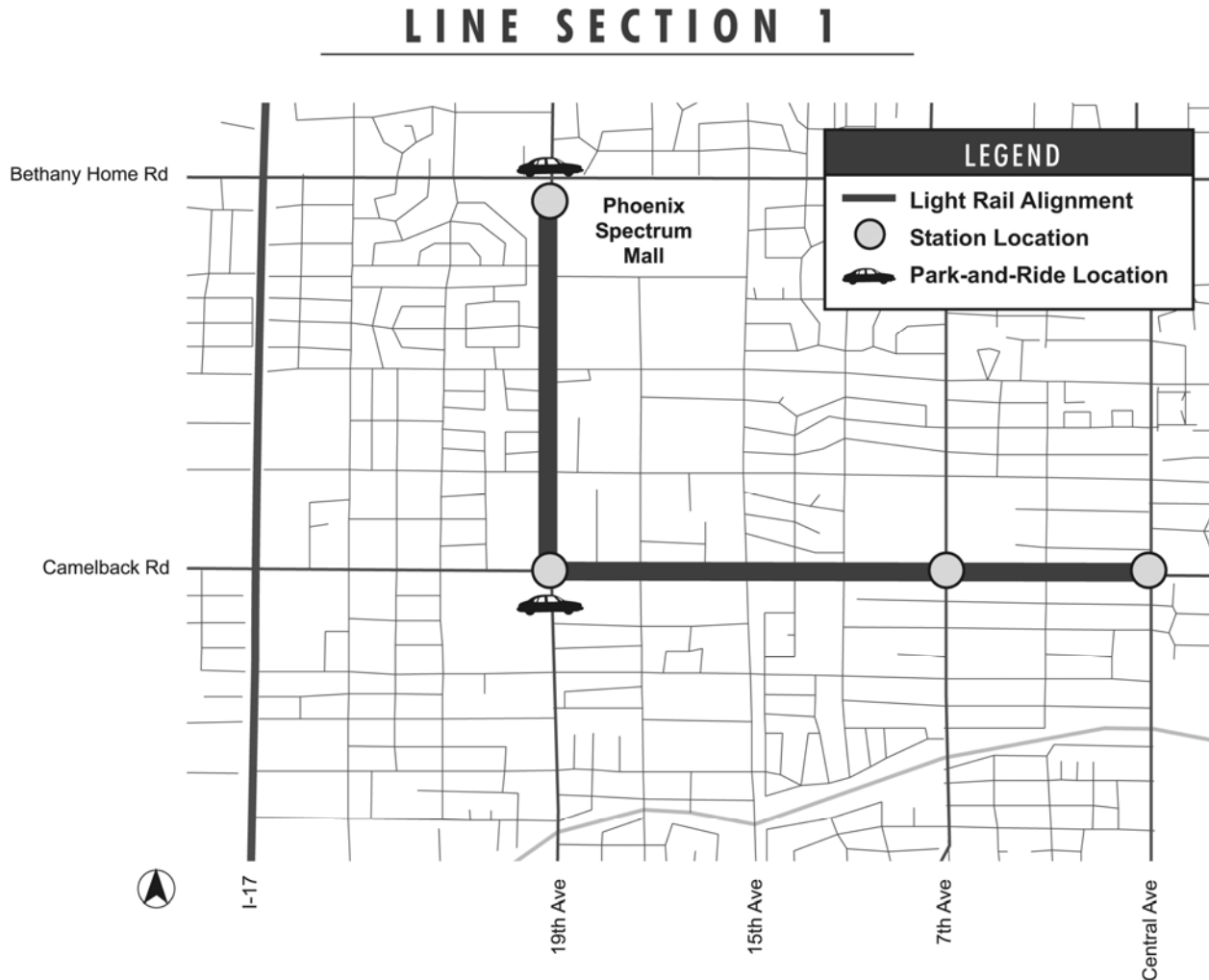
SEPTEMBER 2006 RAIL PROGRESS REPORT

Description:		3.2.1 Station Finishes		
PE/PA:		Steve Cottman		
Contractor:		Archer Western Contractors		
Resident Architect:		Bob Yantzer		
Data Through:		August 31, 2006		
Cumulative		5309	CNPA	Total
1	Original Budget	\$52,985,000	\$9,988,000	\$62,973,000
2	Executed Change Orders	\$0	\$50,000	\$50,000
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$52,985,000	\$10,038,000	\$63,023,000
5	Work Scheduled	\$3,703,701	\$655,686	\$4,359,387
6	Work Earned	\$3,309,002	\$0	\$3,309,002
7	Actual Expenditures	\$3,304,699	\$457,000	\$3,761,699
8	Forecast to Complete Base (4-7)	\$49,680,301	\$9,581,000	\$59,261,301
9	Change Orders Pending Execution	\$0	\$0	\$0
10	Forecast at Completion (7+8+9)	\$52,985,000	\$10,038,000	\$63,023,000
11	Percent Budget Expended (7/4)	6.2%	4.6%	6.0%
12	Percent Planned (5/4)	7.0%	6.5%	6.9%
13	Earned Percent Complete (6/4)	6.2%	0.0%	5.3%
14	Schedule Performance (6/5)	0.89	0.00	0.76
15	Cost Performance (6/7)	1.00	N/A	0.88
16	Contingency Budget	\$546,000	\$371,603	\$917,603
17	Remaining Contingency	\$546,000	\$321,603	\$867,603
18	Percent Contingency Remaining (17/16)	100.0%	86.5%	94.6%
Period				
1	Original Budget	N/A	N/A	N/A
2	Executed Change Orders	\$0	\$50,000	\$50,000
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$52,985,000	\$10,038,000	\$63,023,000
5	Work Scheduled (Cum - Last Period)	\$386,880	\$114,561	\$501,441
6	Work Earned (Cum - Last Period)	\$781,345	\$409,512	\$1,190,857
7	Actual Expenditures (Cum - Last Period)	\$0	\$49,500	\$49,500
8	Forecast to Complete Base (4-7)	\$52,985,000	\$9,988,500	\$62,973,500
9	Change Orders Pending Execution	\$0	-\$50,000	-\$50,000
10	Forecast at Completion (7+8+9)	\$52,985,000	\$9,988,000	\$62,973,000
11	Percent Budget Expended (7/4)	0.0%	0.5%	0.1%
12	Percent Planned (5/4)	0.7%	1.1%	0.8%
13	Earned Percent Complete (6/4)	1.5%	4.1%	1.9%
14	Schedule Performance (6/5)	2.02	3.57	2.37
15	Cost Performance (6/7)	#N/A	N/A	24.06
16	Contingency Budget			
17	Remaining Contingency			
18	Percent Contingency Remaining (17/16)			



12. Facilities

Line Section 1



Description

Line Section 1 is 2.27 miles in length, and begins on 19th Avenue south of Bethany Home Road to a point west of the Central Avenue and Camelback Road Station. The construction work in this contract includes demolition, relocation of public utilities, roadway and drainage modifications, systems ductbank installation to the substation site interface, station foundations, signing and marking, irrigation, landscaping, et cetera.

There are three stations in Line Section 1. They are at 19th Avenue and Montebello, 19th Avenue and Camelback Road, and 7th Avenue and Camelback Road.



Progress

- Kiewit continues water line installation, storm drain and sewer line installation, private irrigation, street light installation, traffic signal work at intersections, landscape irrigation, utility removals and miscellaneous demolition, roadway excavation, milling and plaiting, paving pipe trenches, man holes / stand pipes installation, ACP removal at various places along the South Side of Camelback Road. Some work is being performed at night. Private irrigation tie-in work utilizing “mini dry-ups” continue to be coordinated well between KWC and Salt River Project Irrigation. Kiewit has begun their part of the SRP joint trench and they have also begun duct bank, curb, gutter and sidewalk work this month. They plan to begin work for the trackway and restart the catenary pole foundations installation next month.
- Southwest Gas (SWG) has completed nearly all the gas line relocation work on Camelback Road; but, they can not put the new line in service until the utility easement for the “Payless” part of Fry’s parcel take is finalized. They continue to work on 19th Avenue with two subcontractors; one subcontractor is working from Bethany Home Road south and the other subcontractors is working from Camelback Road north. Periodic line drops in the 19th Avenue and Camelback intersection are being performed at night.
- The joint trench work on Camelback continues with Salt River Project Power (SRPP) that now has two subcontractors working. Salt River Project Irrigation (SRPI) continues with the installation of the irrigation structures on the project.
- Traffic control has been seamlessly combined between all participants on the project and continues to be successful with few formal complaints from the various stake holders or traveling public. In early October Kiewit plans on restricting traffic flow on both Camelback and 19th Avenue to one lane in each direction and the City of Phoenix (COP) has agreed to allow pre-approved night time full closures of the Camelback and 19th Avenue intersection.
- Sidewalk, curb and gutter installation has started on the south side of Camelback Road between Central and 7th Avenue.

Cost and Schedule – Variance Analysis

- A Mitigation Plan is being prepared to recover lost time once 19th Avenue work is re-started and the acquisition of these parcels has been completed.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- Real Estate, Cost-To-Cure (CTC), and SRPP Utility Easements continue to be a concern. There are several parcels on LS 1 that are not yet available or have CTC issues. And, there are several SRPP Utility Easements not yet obtained. The Contractor and third party utilities know of the lack of these key work areas and are amending their work plans as much as possible, but crucial systems tie-ins can not be finished until the parcels and easements are available. METRO and COP continue to strengthen their efforts to obtain the remaining parcels and easements.

Construction Photos



KWC Crews Removing SRP Irrigation Line on 19th Avenue



KWC Excavating for the New SRP 30-inch RGRCP Across 17th Avenue



Fry's Parking Lot Storm Drain in Conflict with the New SRP at 415+87



KWC Installing the New 30-inch SRP at 415+50

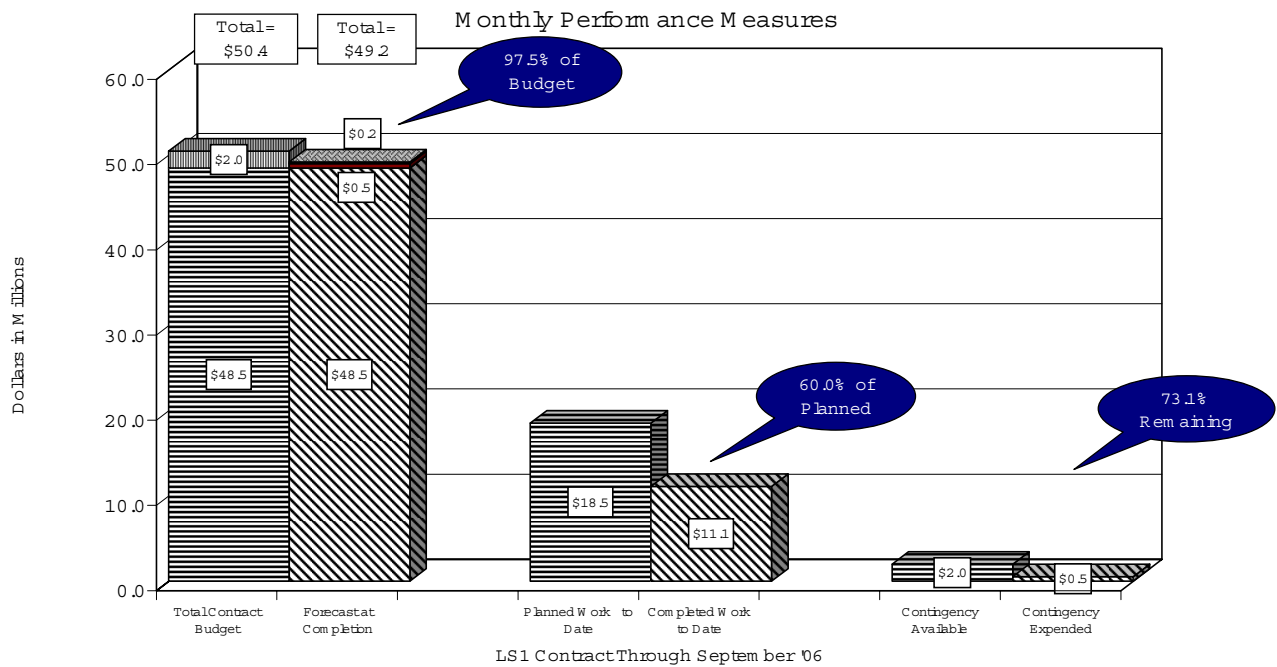


KWC Backfilling the Open Excavation Material Removed at 450+75 RT



SEPTEMBER 2006 RAIL PROGRESS REPORT

Description:		3.1.1 Line Section 1		
PE/PA:		Alvin Livingstone		
Contractor:		Kiewit Western Co.		
Resident Engineer:		Bill Blane		
Data Through:		September 1, 2006		
	Cumulative	5309	CNPA	Total
1	Budget	\$37,951,658	\$10,533,342	\$48,485,000
2	Executed Change Orders	\$539,865	-\$210	\$539,655
3	Budget Transfers	\$2,500,000	\$0	\$2,500,000
4	Current Budget (1+2+3)	\$40,991,523	\$10,533,132	\$51,524,655
5	Work Scheduled	\$13,971,583	\$4,577,013	\$18,548,596
6	Work Earned	\$9,705,359	\$1,439,398	\$11,144,757
7	Actual Expenditures	\$9,714,219	\$1,432,517	\$11,146,736
8	Forecast to Complete Base (4-7)	\$31,277,304	\$9,100,615	\$40,377,919
9	Change Orders Pending Execution	\$195,538	\$0	\$195,538
10	Forecast at Completion (7+8+9)	\$41,187,061	\$10,533,132	\$51,720,193
11	Percent Budget Expended (7/4)	23.7%	13.6%	21.6%
12	Percent Planned (5/4)	34.1%	43.5%	36.0%
13	Earned Percent Complete (6/4)	23.7%	13.7%	21.6%
14	Schedule Performance (6/5)	0.69	0.31	0.60
15	Cost Performance (6/7)	1.00	1.00	1.00
16	Contingency Budget	\$1,963,056	\$44,811	\$2,007,867
17	Remaining Contingency	\$1,423,191	\$45,021	\$1,468,212
18	Percent Contingency Remaining (17/16)	72.5%	100.5%	73.1%
	Period			
1	Budget	N/A	N/A	N/A
2	Executed Change Orders	\$0	-\$210	-\$210
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$40,991,523	\$10,533,132	\$51,524,655
5	Work Scheduled (Cum - Last Period)	\$1,893,441	\$515,129	\$2,408,570
6	Work Earned (Cum - Last Period)	\$534,846	\$18,110	\$552,956
7	Actual Expenditures (Cum - Last Period)	\$543,706	\$0	\$543,706
8	Forecast to Complete Base (4-7)	\$40,447,817	\$10,533,132	\$50,980,949
9	Change Orders Pending Execution	\$139,538	-\$9,300	\$130,238
10	Forecast at Completion (7+8+9)	\$41,131,061	\$10,523,832	\$51,654,893
11	Percent Budget Expended (7/4)	1.3%	0.0%	1.1%
12	Percent Planned (5/4)	4.6%	4.9%	4.7%
13	Earned Percent Complete (6/4)	1.3%	0.2%	1.1%
14	Schedule Performance (6/5)	0.28	0.04	0.23
15	Cost Performance (6/7)	0.98	#N/A	1.02
16	Contingency Budget			
17	Remaining Contingency			
18	Percent Contingency Remaining (17/16)			



Line Section 2

LINE SECTION 2



Description

Line Section 2 begins at a point on Camelback Road just west of the Central Avenue/Camelback Road Station, and continues south on Central Avenue to a point approximately 200 feet north of the Central Avenue/McDowell Road intersection. The construction work in this contract includes demolition, relocation of public utilities, roadway improvements, drainage modifications, systems ductbank installations, station foundations, installation of systems ductbank and conduits, streetlights, traffic signals, OCS pole foundations, preparation of trackbed, and installation of embedded track. It also includes replacement of the Grand Canal Bridge on Central Avenue.

This Line Section will have six stations at the following locations: Central/Camelback, Central/Campbell, Central/Indian School, Central/Osborn, Central/Thomas and Central/Encanto.



Progress

- Herzog continues to install various underground utilities throughout the project. Many have been installed and good progress is being made. They have completed the pressure and bacterial test for several fire lines and hydrants and put these lines back in service. They are continuing the installation of various storm drain laterals, sewer, water and laterals, fire hydrants and electrical conduits throughout the project.
- Guideway excavation continues this month opposite Central High School and Campbell. This includes excavation for Campbell Station foundations.
- Rail welding (flash-butt factory welds) has begun this month we have received most of the LS2 rail.
- The sidewalk area north and south of the Grand Canal Bridge and along the easterly and westerly sides of Central opposite Central High School are now complete, less some quality rework. Herzog has constructed the easterly half of the Grand Canal Bridge, thus completing the bridge. Some bridge wingwalls, joint work and backfill remain to be done. Traffic is currently using the new westerly half of the bridge in both directions. Work continues this month at the Camelback Station Site and Herzog continues coordinating with Archer Western, Kiewit and other third party utilities. Utility installations and relocations are critical and require coordination between work scope by all the Contractors.
- Light poles and traffic signal poles are being restored (or installed new), painted and placed on new foundations along the easterly half of Central Avenue.
- Herzog continues potholing activities between Osborn and McDowell Road in preparation for the upcoming utility relocations. Off-set manholes for the storm drain access are being installed in this area. Work in this area will be limited due to upcoming events at the Heard and Art Museums.
- No lost time injuries occurred this month.
- Contractor received a 90 percent score on their Community Advisory Board (CAB) review this month.

Cost and Schedule – Variance Analysis

- Schedule impacts include conflicts with underground utilities and design changes.
- METRO has issued several change notices to Herzog for pricing and credit. Several change orders are being performed on the job, mostly concerning utility work-a-rounds and design changes.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- Line Section 2 has all but 2 parcels under City control. There are no impacts to schedule at this time due to real estate.
- Utility conflicts continue to occur. METRO is working diligently with Herzog to perform work-arounds and other mitigation processes as needed to keep on schedule.
- Several major design adjustments, including protection of the 54-inch waterline at Indian School Road/Central, the 24-inch waterline at Osborn, and the private irrigation at Mariposa are being completed and should be implemented soon.

Construction Photos



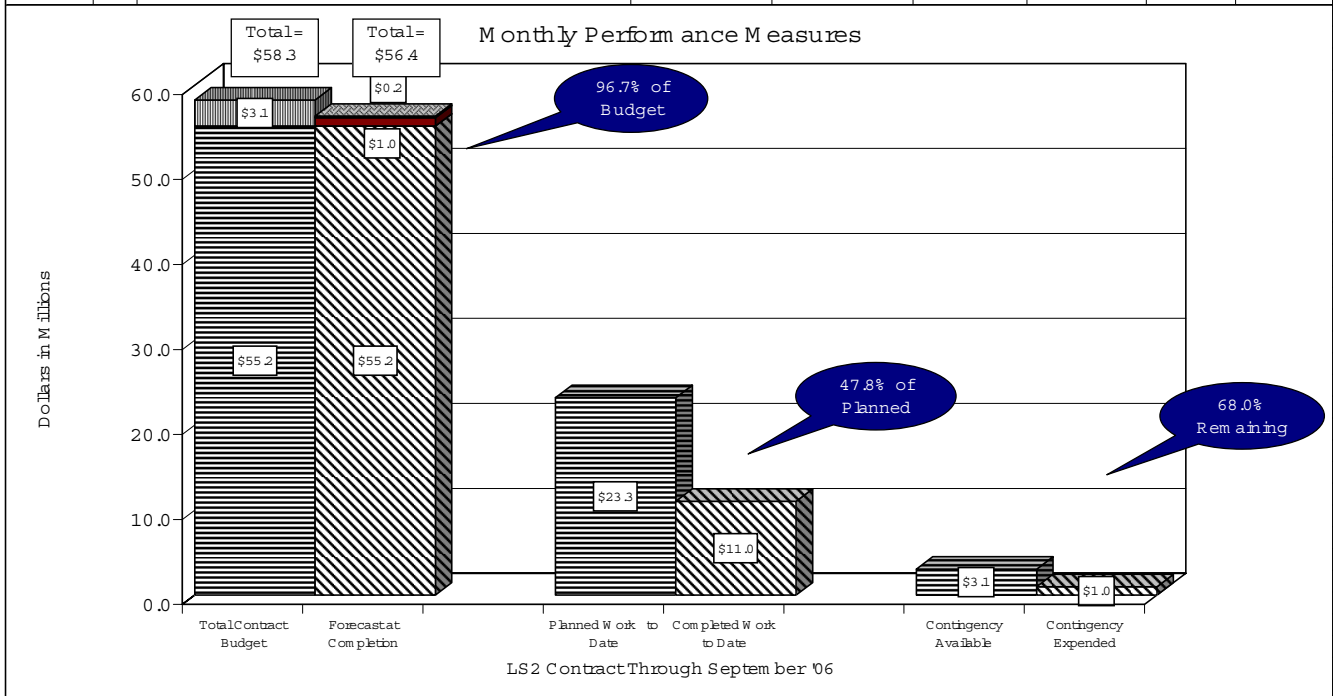
Stripping forms of the bridge barrier wall at GCB



Newly poured curb return at Minnezona.

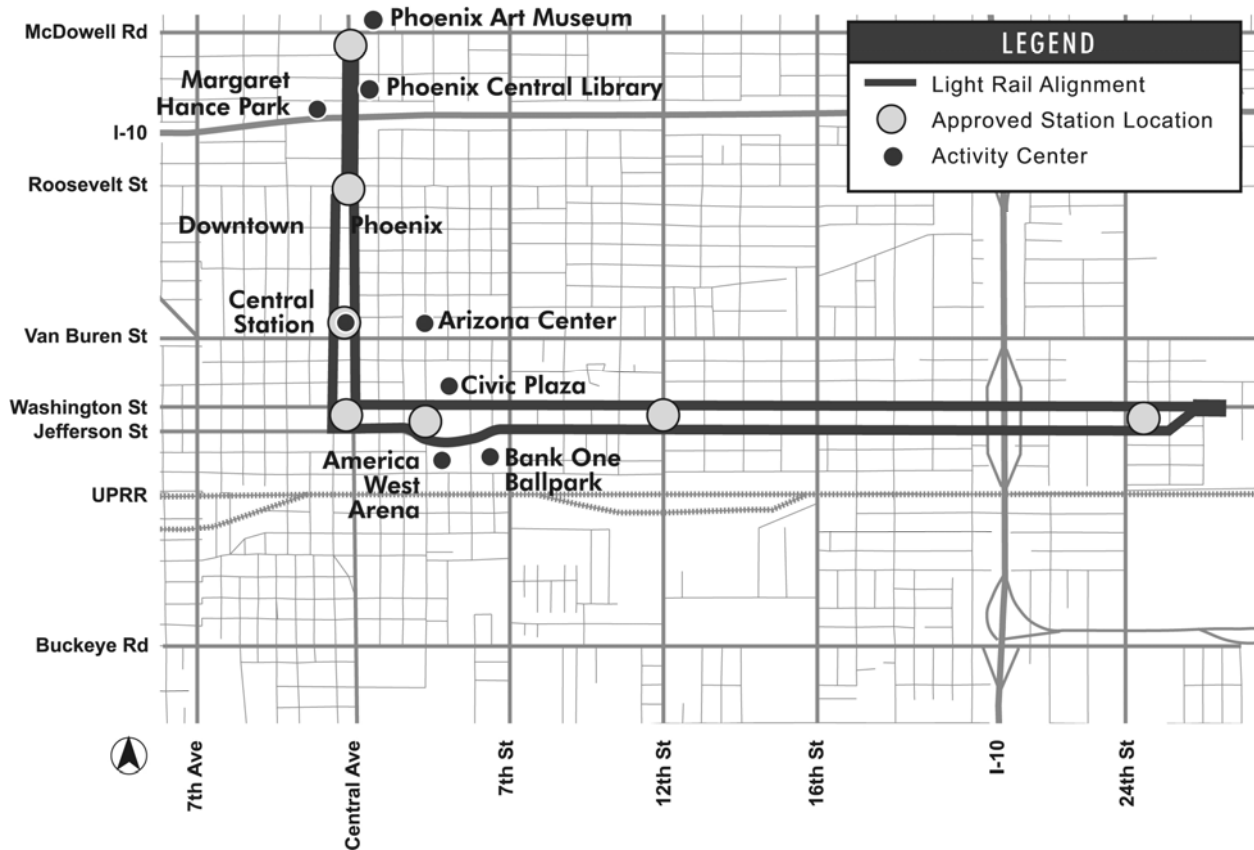


Description:		3 1 2 Line Section 2		
PE/PA:		Alvin Livingstone		
Contractor:		Herzog Contracting Corporation		
Resident Engineer:		Matt McEnam in		
Data Through:		August 31, 2006		
	Cumulative	5309	CNPA/Other	Total
1	Budget	\$48,425,124	\$6,762,248	\$55,187,372
2	Executed Change Orders	\$806,743	\$0	\$806,743
3	Budget Transfers	\$10,000	\$162,317	\$172,317
4	Current Budget (1+2+3)	\$49,231,867	\$6,924,565	\$56,156,432
5	Work Scheduled	\$18,873,031	\$4,380,346	\$23,253,377
6	Work Earned	\$9,945,962	\$1,102,916	\$11,048,878
7	Actual Expenditures	\$9,944,969	\$1,104,781	\$11,049,750
8	Forecast to Complete Base (4-7)	\$39,286,898	\$5,819,784	\$45,106,682
9	Change Orders Pending Execution	\$42,847	\$143,885	\$186,732
10	Forecast at Completion (7+8+9)	\$49,231,867	\$7,068,450	\$56,300,317
11	Percent Budget Expended (7/4)	20.2%	16.0%	19.7%
12	Percent Planned (5/4)	38.3%	63.3%	41.4%
13	Earned Percent Complete (6/4)	20.2%	15.9%	19.7%
14	Schedule Performance (6/5)	0.53	0.25	0.48
15	Cost Performance (6/7)	1.00	1.00	1.00
16	Contingency Budget	\$3,050,401	\$13,293	\$3,063,694
17	Remaining Contingency	\$2,233,658	\$13,293	\$2,084,634
18	Percent Contingency Remaining (17/16)	73.2%	100.0%	68.0%
Period				
1	Budget	N/A	N/A	N/A
2	Executed Change Orders	\$54,572	\$0	\$54,572
3	Budget Transfers	\$0	\$9,550	\$9,550
4	Current Budget (1+2+3)	\$49,231,867	\$6,924,565	\$56,156,432
5	Work Scheduled (Cum m -Last Perbd)	\$2,129,496	\$1,448,693	\$3,578,189
6	Work Earned Cum m -Last Perbd)	\$1,455,566	-\$88,351	\$1,367,215
7	Actual Expenditures (Cum m -Last Perbd)	\$1,452,790	\$41,712	\$1,494,502
8	Forecast to Complete Base (4-7)	\$47,779,077	\$6,882,853	\$54,661,930
9	Change Orders Pending Execution	-\$42,288	\$140,484	\$98,196
10	Forecast at Completion (7+8+9)	\$49,189,579	\$7,065,049	\$56,254,628
11	Percent Budget Expended (7/4)	3.0%	0.6%	2.7%
12	Percent Planned (5/4)	4.3%	20.9%	6.4%
13	Earned Percent Complete (6/4)	3.0%	-1.3%	2.4%
14	Schedule Performance (6/5)	0.68	N/A	0.38
15	Cost Performance (6/7)	1.00	-2.12	0.91
16	Contingency Budget			
17	Remaining Contingency			
18	Percent Contingency Remaining (17/16)			



Line Section 3

LINE SECTION 3



Description

Line Section 3 is 4.29 miles in length with approximately eight miles of in-street track. It begins at Central Avenue and McDowell Road and extends south on Central Avenue to Portland Avenue where the line splits into single-track alignment on the one-way streets of Central Avenue and 1st Avenue. It continues south on one-way 1st Avenue to Jefferson Street and then east on one-way Jefferson Street to its end at 26th Street. It continues on one-way Central Avenue to Washington Street and then east on one-way Washington Street to 26th Street. The eastbound leg is on 1st Avenue and Jefferson Street and the westbound leg is on Washington Street and Central Avenue. The Section traverses downtown Phoenix crossing the Deck Park Bridge and passes near America West Arena, Bank One Ballpark, the Symphony Hall, Civic Plaza and Arizona Science Center.

The work anticipated in this construction contract includes demolition, relocation of public utilities, corrosion control facilities, roadway and drainage modifications, station platform foundations, installation of systems duct bank and conduits, streetlights, traffic signals, OCS pole foundations, irrigation, landscaping, traffic signing, pavement



marking, preparation of track bed and installation of embedded track. It also includes modifications of existing structures at the Deck Park Bridge, Renaissance II Garage, Arizona Science Center/CPEG Pedestrian Bridge and ADOT I-10 Washington-Jefferson Interchange.

The seven stations with 13 platforms located within Line Section 3 are McDowell Road/Central Avenue, Roosevelt Street/Central Avenue, Roosevelt Street/1st Avenue, Van Buren Street/Central Avenue, Van Buren Street/1st Avenue, Washington Street/Central Avenue, Jefferson Street/1st Avenue, 3rd Street/Washington Street, 3rd Street/Jefferson Street, 12th Street/Washington Street, 12th Street/Jefferson Street, 24th Street/Washington Street and 24th Street/Jefferson Street.

For Right-of-Way availability and order of construction or sequencing, Line Section 3 has been divided into 15 segments. The segments are paired on the one-way street couplets with Segments 1 and 2 extending from Polk to Washington on Central and 1st Avenue, 3 and 4 from 1st Avenue to 3rd Street on Washington and Jefferson, 5 and 6 from 3rd Street to 9th Street on Washington and Jefferson, 7 and 8 from Portland to Polk on Central and 1st Avenue, 9 and 10 from 9th Street to 14th Street on Washington and Jefferson, 11 and 12 from 14th to 20th Street on Washington and Jefferson, 13 and 14 from 20th to 26th Street on Washington and Jefferson, and Segment 15 on Central Avenue from McDowell to Portland.

Progress

- Archer Western Contractors (AWC) is continuing utility construction in segments 2 through 14 installing storm sewer, sanitary sewer and water service. AWC is continuing to install traffic features and wiring on traffic signals in segments 1 through 15. Additionally, AWC is proceeding with OCS foundations, lighting conduits and foundations, irrigation as required along ROW and stations.
- AWC is currently working day crews six days per week and night crews four to five nights a week.
- AWC has completed placing the station foundation at Washington/24th Street and has started excavation of the 12th Street/Washington station. AWC encountered several third party utility conflicts during excavation of the Washington/3rd Street foundation and will cease work in this area until these utilities are relocated.
- AWC is extending guideway placement from Segment 1 to Segment 7 (Central - Polk to Portland) from Polk to McKinley. AWC is also has continued guideway placement on Jefferson to from 1st Street to 3rd Street, installed the pre-curve section of rail from Jefferson to 1st Avenue station and has completed guideway on Washington from Central to 1st Street. AWC has set rail and related system boxes at the contract match line to Line Section 4 east of 26th Street on Washington.
- Level 3 has completed relocation of duct bank and manholes at 18th Street and 17th Street on Washington Street and has moved to Washington and 16^h Street.

AWC and METRO continue to meet with APS to confirm design of revenue service and coordinate installation.

- AWC has established six rail headings to provide schedule flexibility for the approximate 44,635 lf of guideway installation for this project. To date AWC has installed approximately 5500 lf of guideway (including direct fixation track).

Cost and Schedule – Variance Analysis

- AWC and METRO are in negotiations concerning the master schedule milestone revision change order. The interim progress schedule indicates the contractor has completed 35 percent of the work.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- Bi-weekly meetings continue to address any conflicts and coordination issues. Meetings are being held at the field office to better effect contractor communication with utilities as well as make the utilities accountable.
- Weekly APS meetings are also continuing to better facilitate the revenue installation and expedite any required changes.
- ROW acquisition is complete with several outstanding cost to cure items. Sterling Hotel being the only property with ROW impact.

Construction Photos



Driveway at the Courthouse Parking Lot



Exposed Aggregate at the
US Airway Center Plaza



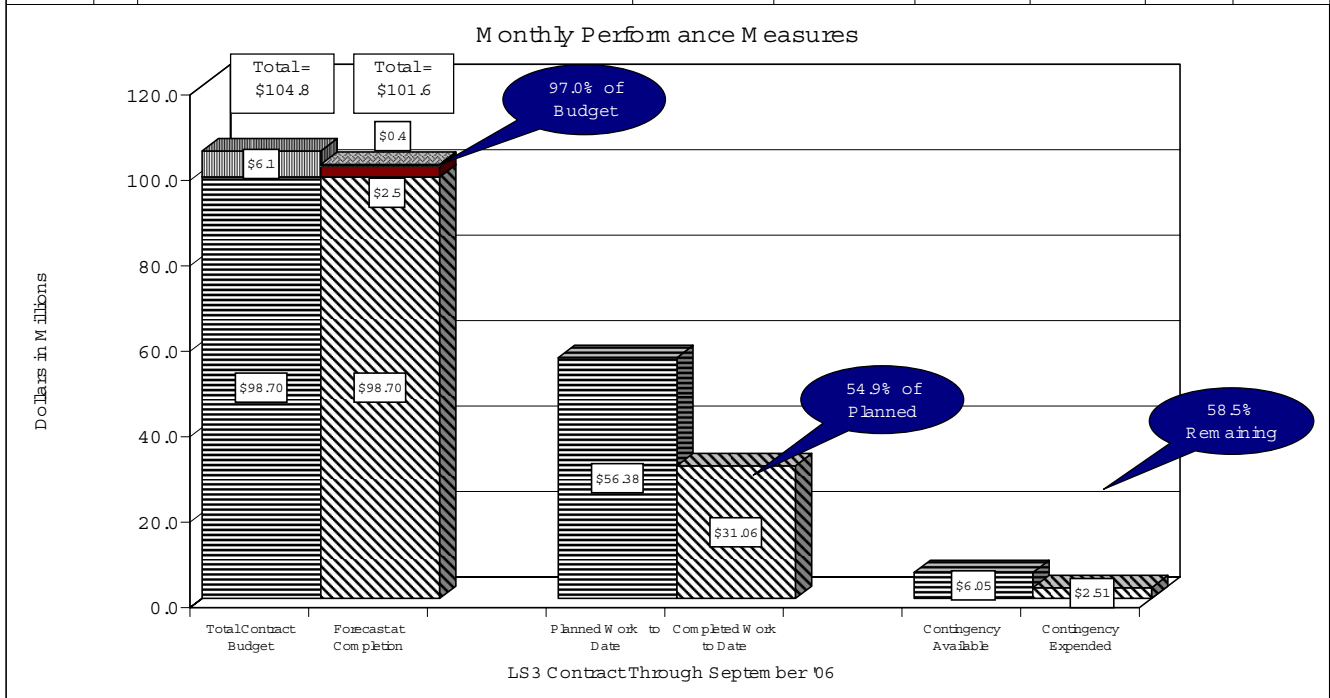
Curb and Gutter at Jefferson Between
24th and 25th Street



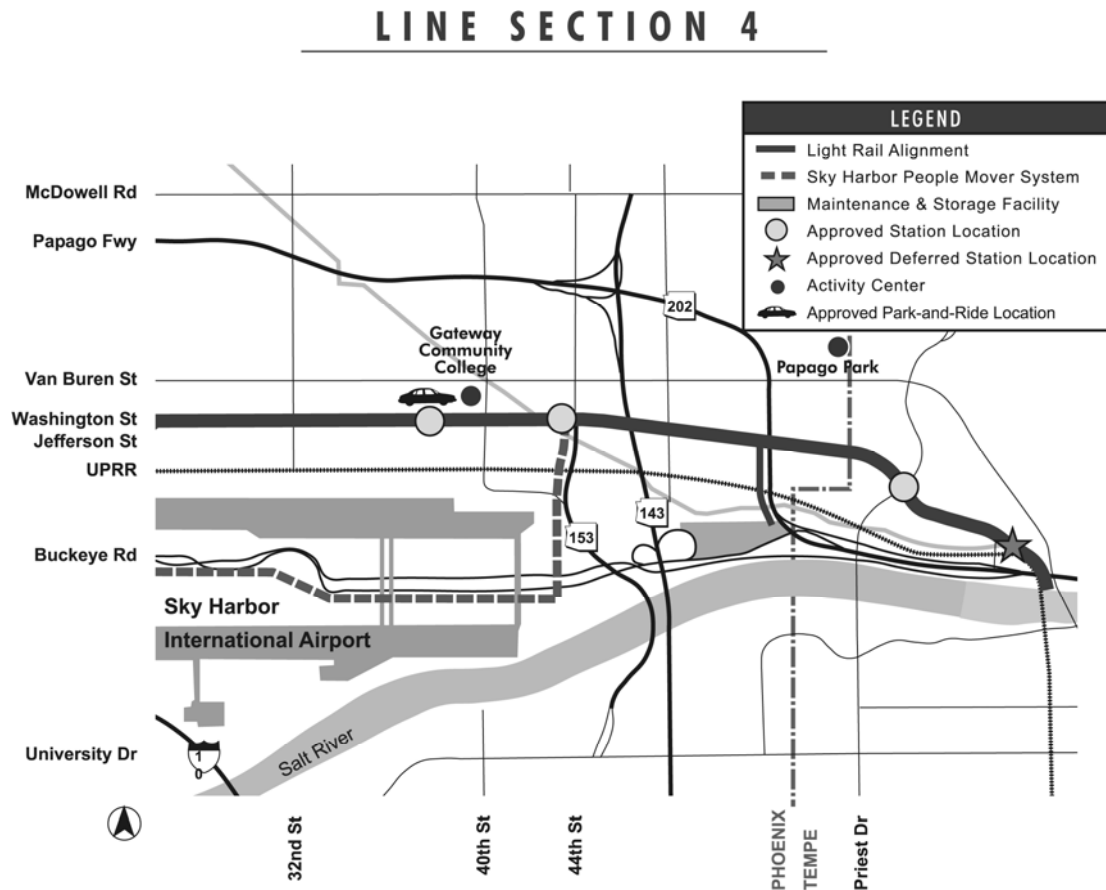
24th Street and Washington Station



Description:	3.1.3 Line Section 3			
PE/PA:	William Gustafson			
Contractor:	Archer Westem			
Resident Engineer:	William Atesis			
Data Through:	August 26, 2006			
	Cumulative	5309	CNPA	Total
1 Budget	\$79,248,617	\$19,452,352	\$98,700,969	
2 Executed Change Orders	\$2,032,281	\$25,285	\$2,057,566	
3 Budget Transfers	\$23,831	\$432,649	\$456,480	
4 Current Budget (1+2+3)	\$81,304,729	\$19,910,286	\$101,215,015	
5 Work Scheduled	\$42,500,596	\$13,880,001	\$56,380,597	
6 Work Earned	\$23,378,840	\$7,685,970	\$31,064,810	
7 Actual Expenditures	\$23,397,036	\$7,686,743	\$31,083,779	
8 Forecast to Complete Base (4-7)	\$57,907,693	\$12,223,543	\$70,131,236	
9 Change Orders Pending Execution	\$118,521	\$282,233	\$400,754	
10 Forecast at Completion (7+8+9)	\$81,423,250	\$20,192,519	\$101,615,769	
11 Percent Budget Expended (7/4)	28.8%	38.6%	30.7%	
12 Percent Planned (5/4)	52.3%	69.7%	55.7%	
13 Earned Percent Complete (6/4)	28.8%	38.6%	30.7%	
14 Schedule Performance (6/5)	0.55	0.55	0.55	
15 Cost Performance (6/7)	1.00	1.00	1.00	
16 Contingency Budget	\$5,648,232	\$402,730	\$6,050,962	
17 Remaining Contingency	\$3,639,782	\$381,610	\$3,536,916	
18 Percent Contingency Remaining (17/16)	64.4%	94.8%	58.5%	
	Period	N/A	N/A	N/A
1 Budget	\$167,899	\$0	\$167,899	
2 Executed Change Orders	\$0	\$43,404	\$43,404	
3 Budget Transfers	\$81,304,729	\$19,910,286	\$101,215,015	
4 Current Budget (1+2+3)	\$3,554,639	\$610,810	\$4,165,449	
5 Work Scheduled (Cum - Last Period)	\$1,852,654	\$763,200	\$2,615,854	
6 Work Earned (Cum - Last Period)	\$1,850,363	\$762,104	\$2,612,467	
7 Actual Expenditures (Cum - Last Period)	\$79,454,366	\$19,148,182	\$98,602,548	
8 Forecast to Complete Base (4-7)	-\$57,517	\$78,376	\$20,859	
9 Change Orders Pending Execution	\$81,247,212	\$19,988,662	\$101,235,874	
10 Forecast at Completion (7+8+9)	2.3%	3.8%	2.6%	
11 Percent Budget Expended (7/4)	4.4%	3.1%	4.1%	
12 Percent Planned (5/4)	2.3%	3.8%	2.6%	
13 Earned Percent Complete (6/4)	0.52	1.25	0.63	
14 Schedule Performance (6/5)	1.00	1.00	1.00	
15 Cost Performance (6/7)	\$6,398,232	\$1,231,072	\$7,629,304	
16 Contingency Budget	\$6,230,333	\$1,187,668	\$7,418,001	
17 Remaining Contingency	97.4%	96.5%	97.2%	
18 Percent Contingency Remaining (17/16)				



Line Section 4



Description

Line Section 4 guideway is approximately 5.4 miles, from 26th and Washington Street to the northern limit of Tempe Town Lake. The work includes demolition, relocation of water and sewer lines, roadway improvements, drainage modifications, sidewalk and landscaping, streetlights, installation of traffic control signals, LRT station platform foundations, systems duct bank and conduits, OCS pole foundations, preparation of the tracked and sub drains, installations of track and special trackwork including the portion of the LRT Tempe Town Lake Bridge, and replacement of the Washington Street Bridge over the Grand Canal. There are three light rail stations located on Washington Street at 38th Street, 44th Street and Priest Drive.

Progress

- Lakeside Drive to Center Parkway: No activities this month.
- Center Parkway to 56th Street: Continued guide-way construction adjacent to and west of the Priest Station; excavated, placed reinforcement, anchor bolts and poured the station platform foundation; continued guide-way construction and



embedded track way pours at various locations between Desert Drive and 56th Street.

- 56th Street to 48th Street: Continued to place guide-way slabs for the left and right tracks from 56th Street to SR202 and west of 51st Street to 50th Street; completed the underground combined systems duct bank work at the yard lead; completed the installation of the 4-5/4-6 and the 4-9/4-10 single crossovers as well as the 4-5/4-6 switch machines all to the MSF yard lead; completed pouring the 4-7 and 4-8 turnout bath tubs and installing the isolation membrane with protection board; placed remaining curbs/gutters, sidewalks, driveways, catch basins, track drainage and AC base pavement between 51st and 48th Streets and switched vehicular traffic to the far south side of Washington Street.
- 48th Street to 44th Street: Completed installing the fiber optic duct bank conduits and communication vault into the Pueblo Grande Museum; continued grading and replacement of curb/gutter and sidewalks on the south side of Washington Street from 48th Street to SR143; fine graded the guide-way subgrade and pulled in rail strings; assembled the overhead sign structure in front of the Pueblo Grande Museum.
- 44th Street to 40th Street; placed curbs/gutters, driveways, sidewalks on the south side of Washington Street from the Washington Street bridge over the Grand Canal to 40th Street; completed the sanitary manholes and sanitary line reconstruction at the 40th Street intersection.
- 40th Street to 26th Street: Continued the installation of advanced utility crossings under the LRV guide-way from west of the 36th to 32nd Streets; continued the underground electrical conversion connections to various parcels; began preparing for the 32nd Street intersection closure for the infrastructure replacement and intersection reconstruction.
- Washington Street Bridge: Cast the south parapet wall and south sidewalk.

Cost and Schedule – Variance Analysis

- The contract schedule is now divided into four milestones. The METRO targets for Milestones 1 and 2 have been integrated with follow-on contractors for TES and S&C to determine the earliest possible start for TES, S&C and Station Finishes in the test track area. There is no forecasted impact to the start of testing in April 2007.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- The re-facing of the buildings that intrude into the new right-of-way is almost complete.

Construction Photographs



Guideway placement west of 56th Street



4-5/4-6 Single Crossover Construction



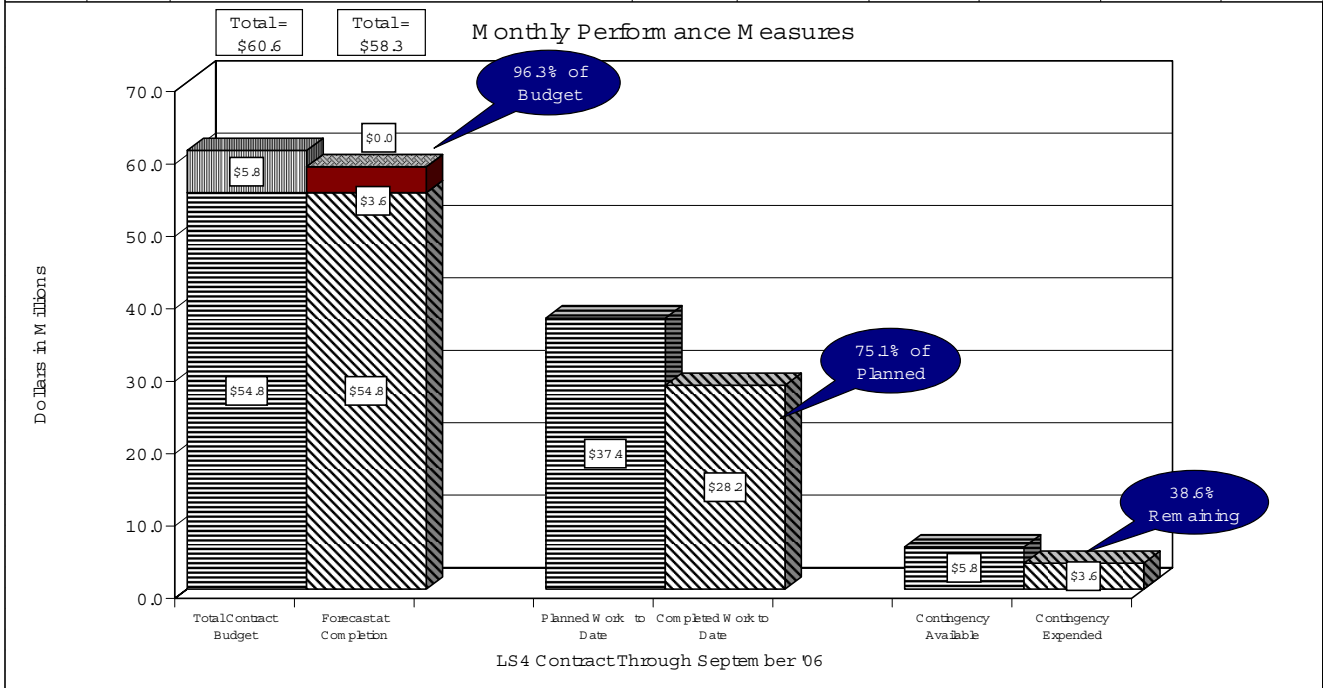
Forming 4-8 Turnout Bath Tub to MSF Yard Lead Track



Placement of curb/gutter east of 48th Street

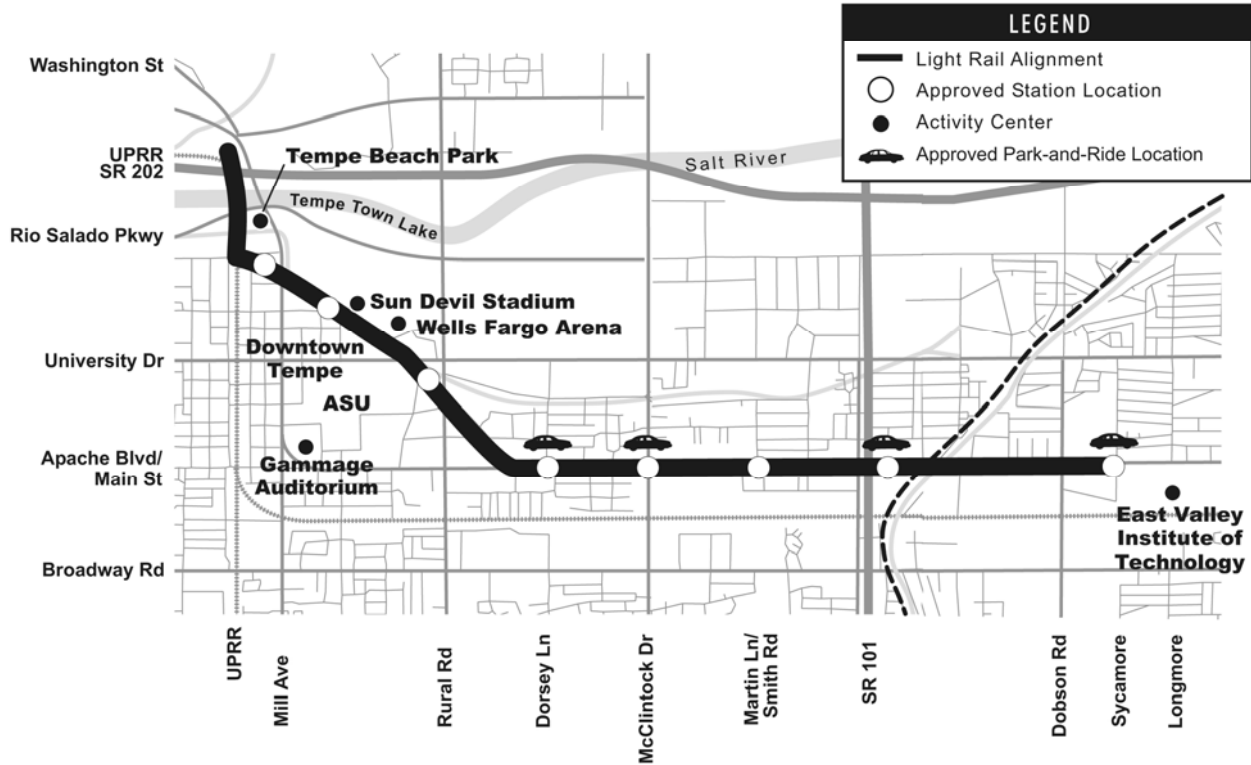


Description:	3.1.4 Line Section 4			
PE/PA:	Avrum Loewenstein			
Contractor:	Sundt/Stagey Wibeck			
Resident Engineer:	Marty Spang			
Data Through:	August 31, 2006			
	Cumulative	5309	CNPA	Total
1 Budget	\$47,869,894	\$6,880,853	\$54,750,747	
2 Executed Change Orders	\$3,829,948	-\$425,903	\$3,404,045	
3 Budget Transfers	\$266,946	\$1,465,327	\$1,732,273	
4 Current Budget (1+2+3)	\$51,966,788	\$7,920,277	\$59,887,065	
5 Work Scheduled	\$31,365,035	\$6,078,361	\$37,443,396	
6 Work Earned	\$23,442,571	\$4,712,346	\$28,154,917	
7 Actual Expenditures	\$25,185,313	\$5,089,896	\$30,275,209	
8 Forecast to Complete Base (4-7)	\$26,781,475	\$2,830,381	\$29,611,856	
9 Change Orders Pending Execution	\$21,288	\$352,474	\$373,762	
10 Forecast at Completion (7+8+9)	\$51,988,076	\$8,272,751	\$60,260,827	
11 Percent Budget Expended (7/A)	48.5%	64.3%	50.6%	
12 Percent Planned (5/A)	60.4%	76.7%	62.5%	
13 Earned Percent Complete (6/A)	45.1%	59.5%	47.0%	
14 Schedule Performance (6/B)	0.75	0.78	0.75	
15 Cost Performance (6/I)	0.93	0.93	0.93	
16 Contingency Budget	\$5,662,190	\$172,633	\$5,834,823	
17 Remaining Contingency	\$2,077,900	\$172,633	\$2,250,533	
18 Percent Contingency Remaining (17/16)	36.7%	100.0%	38.6%	
	Perbd			
1 Budget	N/A	N/A	N/A	
2 Executed Change Orders	-\$103,560	-\$12,415	-\$115,975	
3 Budget Transfers	\$113,000	\$24,279	\$137,279	
4 Current Budget (1+2+3)	\$51,966,788	\$7,920,277	\$59,887,065	
5 Work Scheduled (Cum - Last Perbd)	\$1,934,465	\$0	\$1,934,465	
6 Work Earned (Cum - Last Perbd)	\$1,577,048	\$0	\$1,577,048	
7 Actual Expenditures (Cum - Last Perbd)	\$2,316,360	\$0	\$2,316,360	
8 Forecast to Complete Base (4-7)	\$26,781,475	\$2,830,381	\$29,611,856	
9 Change Orders Pending Execution	-\$20,162	-\$819,036	-\$839,198	
10 Forecast at Completion (7+8+9)	\$29,077,673	\$2,011,345	\$31,089,018	
11 Percent Budget Expended (7/A)	4.5%	0.0%	3.9%	
12 Percent Planned (5/A)	3.7%	0.0%	3.2%	
13 Earned Percent Complete (6/A)	3.0%	0.0%	2.6%	
14 Schedule Performance (6/B)	0.82	#DIV/0!	0.82	
15 Cost Performance (6/I)	0.68	#DIV/0!	0.68	
16 Contingency Budget				
17 Remaining Contingency				
18 Percent Contingency Remaining (17/16)				



Line Section 5

LINE SECTION 5



Description

Line Section 5 is 4.7 miles in length and begins at the 1st Street grade crossing in Tempe and progresses down the former Creamery Branch of the UPRR in Tempe across Mill Avenue and behind the Mission Palms resort. From there, it runs along Stadium Drive across Rural Road down Terrace Road to Apache Boulevard. It then proceeds east on Apache Boulevard and enters the City of Mesa, where it terminates in the vicinity of Main Street and Sycamore near the Tri-city Mall property.

The construction work in this contract includes demolition, relocation of public utilities, roadway and drainage modifications, station platform foundations, installation of systems duct bank and conduits, street lights, traffic signals, OCS pole foundations, preparation of track bed, and installation of embedded track. Stations are located in Tempe at 3rd and Mill, 5th and College, University and Rural, Apache and Dorsey, Apache and McClintock, Apache and Smith-Martin, Apache and Price Freeway; and in Mesa at Main and Sycamore.



Progress

- The Contractor completed Retaining Wall 5 in the parking lot area from Ash Avenue toward First Street, and began guide-way excavation from First Street eastward.
- The Contractor installed traffic signal foundations and poles at 3rd Street intersections at Ash and Mill Avenues, and began guide-way excavation along 3rd Street.
- The Contractor completed Retaining Wall One, located along the Creamery Route, and began construction of Retaining Wall Seven.
- The Contractor continued grading the Promenade area westward from Sun Devil Stadium, placing pavers at the Southwest Gate, and gabion walls westward from the stadium, working around archeological data recovery areas to do this work.
- The Contractor completed roadwork along Veterans Way, including track-way at the 5th/College and 6th Street intersections. Veterans Way was opened eastbound for check-in of ASU students, and the westbound lane was opened for the first ASU game on August 31st. Guide-way preparation from 5th/College to 6th Street was conducted around archeological discoveries in the guide-way itself.
- The Contractor continued to prepare guide-way east from 6th Street, to University Drive.
- The Contractor continued tie-in of the 30-inch waterline at Rural Road and constructed an entrance from the new Terrace Road into Cholla Hall to facilitate ASU student check-in.
- The Contractor continued roadway work along the north side of Apache Boulevard in preparation for paving. The Contractor continued placement of street light foundations on the south side. Third-party utility companies continued relocations eastward along Apache Boulevard.
- The Contractor continued work on wing walls at the 101 Freeway Bridge, placed new traffic signal conduits and foundations at the Price Road intersections, and conducted exploratory work in the center of the of the 101 Bridge structure in preparation for demolition.
- The Contractor shifted traffic to the completed south side of the Tempe Canal Bridge, and demolished pavement, curb, and sidewalk, as well as the old bridge structure on the north side. Abutment piers were drilled, and the abutments formed for the new north side of the bridge structure.
- The Contractor continued utility relocation work from the Tempe Canal Bridge, eastward toward Dobson Road in the City of Mesa.

Cost and Schedule – Variance Analysis

- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.
- Key interface dates with follow-on contractors Station Finishes, TES and S&C are still achievable. SSWJV continues to make excellent efforts to work through utility and other conflicts to keep the project moving forward.

Issues and Solutions

- Significant archeological data recovery in Lot 55 and along Veterans' Way, as well as utility conflicts, have impeded guide-way and promenade work in the ASU area. Completing Veterans' Way roadway prior to return of students, and the ASU Promenade prior to beginning of football season, was a challenge, but was achieved to ASU's satisfaction through coordination and intense effort.
- The placement of street light conduits along Apache Boulevard by APS and SRP-Power continues to delay street widening efforts there. The contractor has altered its schedule to enable the utilities to complete that work expeditiously.
- The potential for other utility conflicts is being reviewed in conjunction with the contractor's baseline schedule and three-week "look-aheads". Resolution of utility issues is addressed weekly in the Line Section 5 Utilities Coordination meeting.
- The contractor has taken positive steps to assure positive public involvement, issuing notices to stakeholders regarding construction activities, and resolving stakeholder concerns as quickly as possible. SSWJV has continued to receive 100 percent of the Community Advisory Board incentive award.

Construction Photos



Retaining Wall 5, Ash to First Street



Continuation of Work at Retaining Wall 1



Roadway Work at Veterans' Way

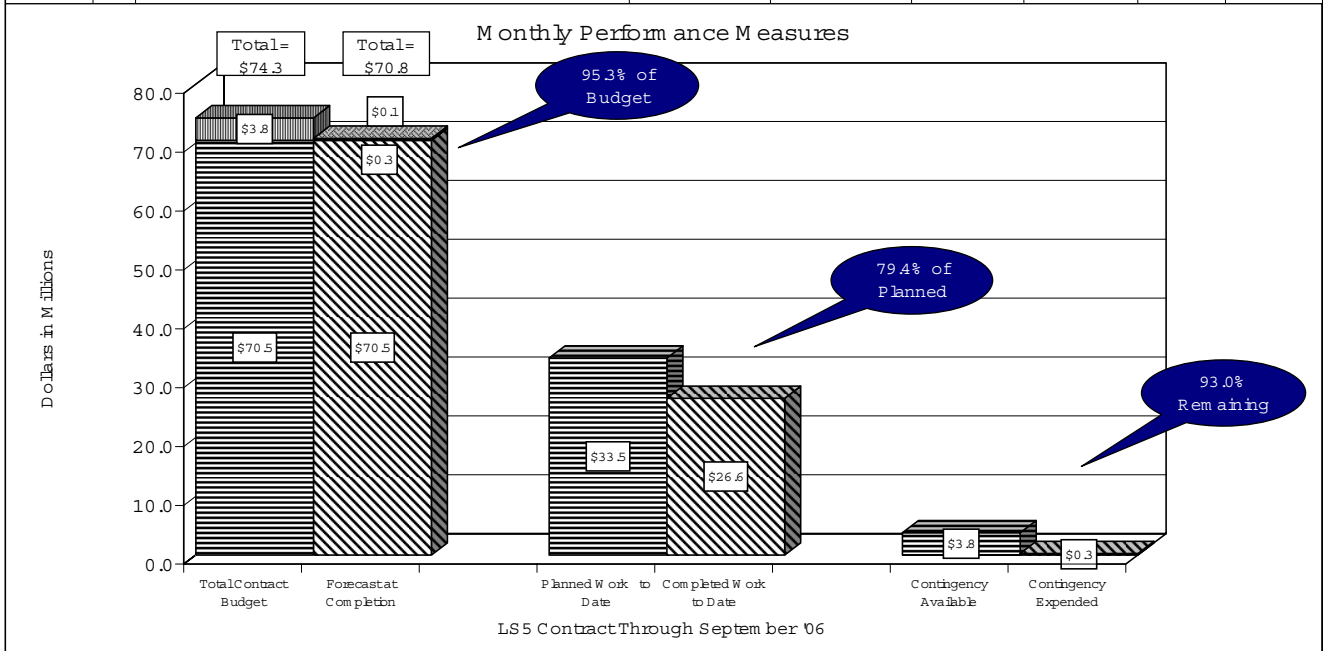


Roadway Work at Tempe Canal Bridge



SEPTEMBER 2006 RAIL PROGRESS REPORT

	Description:	3.1.5 Line Section 5			
	PE/PA:	Brian Buchanan			
	Contractor:	Sundt/Stacey Wittbeck			
	Resident Engineer:	Sam Graham			
	Data Through:	September 15, 2006			
			5309	CNPA	Total
	Cumulative				
1	Budget	\$68,882,969	\$1,573,317	\$70,456,286	
2	Executed Change Orders	\$266,960	\$148,556	\$415,516	
3	Budget Transfers	\$847,481	\$0	\$847,481	
4	Current Budget (1+2+3)	\$69,997,410	\$1,721,873	\$71,719,283	
5	Work Scheduled	\$33,066,144	\$403,568	\$33,469,712	
6	Work Eamed	\$26,319,719	\$293,971	\$26,613,690	
7	Actual Expenditures	\$26,281,751	\$475,378	\$26,757,129	
8	Forecast to Complete Base (4-7)	\$43,715,659	\$1,246,495	\$44,962,154	
9	Change Orders Pending Execution	\$68,444	\$0	\$68,444	
10	Forecast at Completion (7+8+9)	\$70,065,854	\$1,721,873	\$71,787,727	
11	Percent Budget Expended (7/4)	10.8%	27.6%	37.3%	
12	Percent Planned (5/4)	47.2%	23.4%	46.7%	
13	Eamed Percent Complete (6/4)	37.6%	17.1%	37.1%	
14	Schedule Performance (6/5) (SPD)	0.80	0.00	0.80	
15	Cost Performance (6/7) (CPD)	1.00	0.00	0.99	
16	Contingency Budget	\$3,708,135	\$107,679	\$3,815,814	
17	Remaining Contingency	\$3,441,175	\$107,679	\$3,548,854	
18	Percent Contingency Remaining (17/16)	92.8%	100.0%	93.0%	
	Perbtd				
1	Budget	N/A	N/A	N/A	
2	Executed Change Orders	-\$509,229	(\$387,689)	-\$896,918	
3	Budget Transfers	\$0	\$0	\$0	
4	Current Budget (1+2+3)	\$69,997,410	\$1,721,873	\$71,719,283	
5	Work Scheduled (Cum m - Last Perbtd)	\$3,725,106	\$0	\$3,725,106	
6	Work Eamed (Cum m - Last Perbtd)	\$2,994,707	\$0	\$2,994,707	
7	Actual Expenditures (Cum m - Last Perbtd)	\$2,940,117	\$170,188	\$3,110,305	
8	Forecast to Complete Base (4-7)	\$67,057,293	\$1,551,685	\$68,608,978	
9	Change Orders Pending Execution	-\$22,865	\$0	-\$22,865	
10	Forecast at Completion (7+8+9)	\$69,974,545	\$1,721,873	\$71,696,418	
11	Percent Budget Expended (7/4)	4.2%	9.9%	4.3%	
12	Percent Planned (5/4)	5.3%	0.0%	5.2%	
13	Eamed Percent Complete (6/4)	4.3%	0.0%	4.2%	
14	Schedule Performance (6/5)	0.80	0.00	0.80	
15	Cost Performance (6/7)	1.02	0.00	0.96	
16	Contingency Budget				
17	Remaining Contingency				
18	Percent Contingency Remaining (17/16)				



48th Street Bridge Replacement



Description

The 48th Street Bridge Replacement Contract consists of the replacement of one concrete vehicular and one utility bridge over the SRP Grand Canal, construction of underground utilities including water mains and APS ductbanks, jack and bored utility pipe casings under UPRR railroad track, curb and gutter, sidewalk and driveways, grading and fencing of the METRO rail material storage yard, and removal and replacement of asphalt concrete pavement.

Progress

- The work on the utility bridge is substantially complete. All that remains is the installation of the protective bollards around the APS electrical pole and punch list items noted. The Contractor is addressing the remaining work when the trades become available. No work was done this month.

Cost and Schedule – Variance Analysis

- This contract was closed out after final completion, final acceptance and final payment.

Issues and Solutions

- None

Town Lake Bridge



Description

The Town Lake Bridge consists of an 11-span structure with concrete deck and steel deck truss superstructure on concrete piers. The structure has an overall length of 1,546 feet. The North and South approaches to the bridge are of retained earth fill and are approximately 1,654 feet in total length. The construction work includes cast-in-place drilled shaft pier foundations to bedrock, cast-in-place concrete pier caps, concrete abutments, concrete retaining walls, a steel truss superstructure, cast-in-place concrete deck, specialty lighting, demolition, relocation of public utilities, roadway and drainage modifications, systems duct bank conduits, streetlights, OCS pole foundations, preparation of track embankment and installation of concrete track slab. Installation of direct fixation rail for both the approaches and the bridge is included in Line Section 4 contract.

Progress

- The contractor completed installing expanded metal panels (or scrim) on the outside of the trusses.

- Completed landscaping at the north end of the project and continued landscaping in Tempe Beach Park and along Rio Salado Parkway.
- Completed production truss coating, applying one coat of epoxy over the primer, one coat of white and one coat of clear urethane. Punch list touch up is underway.
- The spare parts and operating equipment for the special purpose lighting system was turned over to METRO and accepted.
- Demobilization of the field office complex and completion of punch list activities is underway.
- The contractor has submitted the required as-built drawings.
- The project has been deemed substantially complete.

Cost and Schedule – Variance Analysis

- Milestone C which was to “Complete the Work” in 560 days was achieved effective August 28, 2006 at 560 days following Notice to Proceed. Milestone B (Unimpeded track-way access by all follow-on contractors) was achieved early on July 20, 2006.

Issues and Solutions

- No major issues at this time.

Construction Photographs



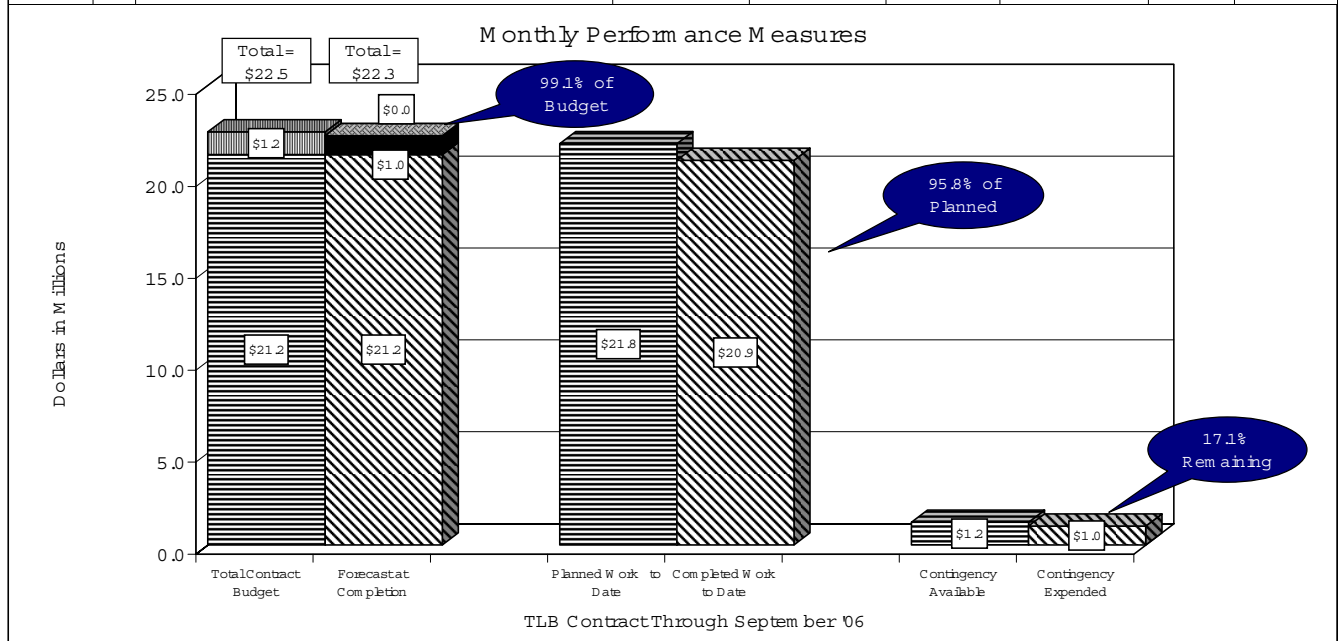
Rio Salado Parkway Complete



Completed Bridge Deck



Description:		3.6.1 Town Lake Bridge		
PE/PA:		Bill Gustafson		
Contractor:		PCL Contractors		
Resident Engineer:		Joel Mena		
Data Through:		July 31, 2006		
Cumulative		5309	CNPA	Total
1	Budget	\$21,219,861	\$17,523	\$21,237,384
2	Executed Change Orders	\$847,508	\$0	\$847,508
3	Budget Transfers	-\$183,000	\$0	-\$183,000
4	Current Budget (1+2+3)	\$21,884,369	\$17,523	\$21,901,892
5	Work Scheduled	\$21,812,051	\$17,523	\$21,829,574
6	Work Eamed	\$20,903,725	\$15,771	\$20,919,496
7	Actual Expenditures	\$20,825,570	\$15,771	\$20,841,341
8	Forecast to Complete Base (4-7)	\$1,058,799	\$1,752	\$1,060,551
9	Change Orders Pending Execution	\$0	\$0	\$0
10	Forecast at Completion (7+8+9)	\$21,884,369	\$17,523	\$21,901,892
11	Percent Budget Expended (7/4)	66.1%	90.0%	95.2%
12	Percent Planned (5/4)	99.7%	100.0%	99.7%
13	Eamed Percent Complete (6/4)	95.5%	90.0%	95.5%
14	Schedule Performance (6/5)	0.96	0.00	0.96
15	Cost Performance (6/7)	1.0	1.0	1.0
16	Contingency Budget	\$1,242,400	\$1,402	\$1,243,802
17	Remaining Contingency	\$211,892	\$1,402	\$213,294
18	Percent Contingency Remaining (17/16)	17.1%	0.0%	17.1%
Period				
1	Budget	N/A	N/A	N/A
2	Executed Change Orders	\$0	\$0	\$0
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$21,884,369	\$17,523	\$21,901,892
5	Work Scheduled (Cum m - Last Perbd)	\$37,913	\$0	\$37,913
6	Work Eamed (Cum m - Last Perbd)	\$0	\$0	\$0
7	Actual Expenditures (Cum m - Last Perbd)	\$0	\$0	\$0
8	Forecast to Complete Base (4-7)	\$21,884,369	\$17,523	\$21,901,892
9	Change Orders Pending Execution	\$0	\$0	\$0
10	Forecast at Completion (7+8+9)	\$21,884,369	\$0	\$21,884,369
11	Percent Budget Expended (7/4)	0.0%	0.0%	0.0%
12	Percent Planned (5/4)	0.2%	0.0%	0.2%
13	Eamed Percent Complete (6/4)	0.0%	0.0%	0.0%
14	Schedule Performance (6/5)	0.00	1.00	0.00
15	Cost Performance (6/7)	1.00	1.00	1.00
16	Contingency Budget	\$1,242,400	\$0	\$1,242,400
17	Remaining Contingency	\$211,892	\$0	\$211,892
18	Percent Contingency Remaining (17/16)	17.1%	0.0%	17.1%



Maintenance and Storage Facility



Description

The Maintenance and Storage Facility (MSF) contract includes construction of Maintenance of Equipment (MOE) building, Maintenance of Way (MOW) building, Car Wash facility, Service and Cleaning facility, maintenance equipment and tools, entry station, track installation in the yard and shop areas, construction of yard lead track from the LRT mainline in Washington Street to the MSF site including a bridge over the UPRR railroad track and SRP Grand Canal, retaining walls and embankment, fill materials for site preparation, grading and drainage, drain channel and swales, culverts and underground drainage pipes, roadways, parking lots, landscaping, fencing, water mains for fire protection and domestic services, utility services, electrical ductbanks, OCS pole foundations, and systems ductbanks.

Progress

- MSF is now connected to the APS power grid. The main switchboard and transformer in the MOE building has been tested, inspected and energized. Other MOE electrical panels have also been completed, tested and energized.
- Work along the yard lead track is complete with exception to grounding of four OCS foundations and the installation of negative return disconnect trench which is now in being constructed.
- At the MOE building work is nearing completion on the HVAC equipment, chilled water system and duct work, grids for the suspended ceilings, fire sprinkler system, compressed air piping, drywall, kitchen cabinets, lockers and painting.



- Significant progress has been made in the installation of the telecommunications and fire detection systems, roll-up coiling doors in the MOE building. The pace of window glass installation has improved this month. Work is progressing in compressed air equipment room and boiler room. Electrical rough-ins to the building equipment, conductor terminations at the equipment and electrical panels is nearing completion throughout the building.
- Toilet fixtures, toilet partitions, carpeting, vinyl composition tile are now being installed.
- All the MOE building exterior vertical wall panels have been installed. Work on the panel trim is in progress.
- Track and special track work installation is complete with exception of fastening of the MOE M2, M3 and M4 tracks to their support pedestals.
- Assembly and installation of LRV lifts, truck elevator, and turntable in the basement are almost complete including the electrical rough-in and conductors.
- Assembly of the shade canopy structures in the MOE parking lot is almost complete. Construction continues for the remaining curbs, gutters and side walks at the MOE and MOW parking lots.
- Planting of trees and shrubs is progressing well throughout the work site. Work along the entry road is substantially complete.
- At the MOW building metal studs installation as well as mechanical and plumbing rough-in work is nearing completion. The HVAC installations along with plumbing and fire protection piping are ongoing. The electrician is pulling branch and feeder wires and scheduled also as fill-in work. Exterior vertical wall panel installation has started and is progressing well. Painting of the steel superstructure is on going.
- At the LRV Wash building work on the HVAC system continues.

Cost and Schedule – Variance Analysis

- The Contractor is presently reviewing the status of the remaining contract milestones and Temporary Certificate of Occupancy for MOE. Final contract completion remains forecasted for January 22, 2007.
- The latest project schedule update indicates 88.2 percent of the work is complete.

Construction Photographs



Utility Clearance – City of Phoenix Blue Tag



MOE from the East



Shade Canopies in the MOE Parking Lot

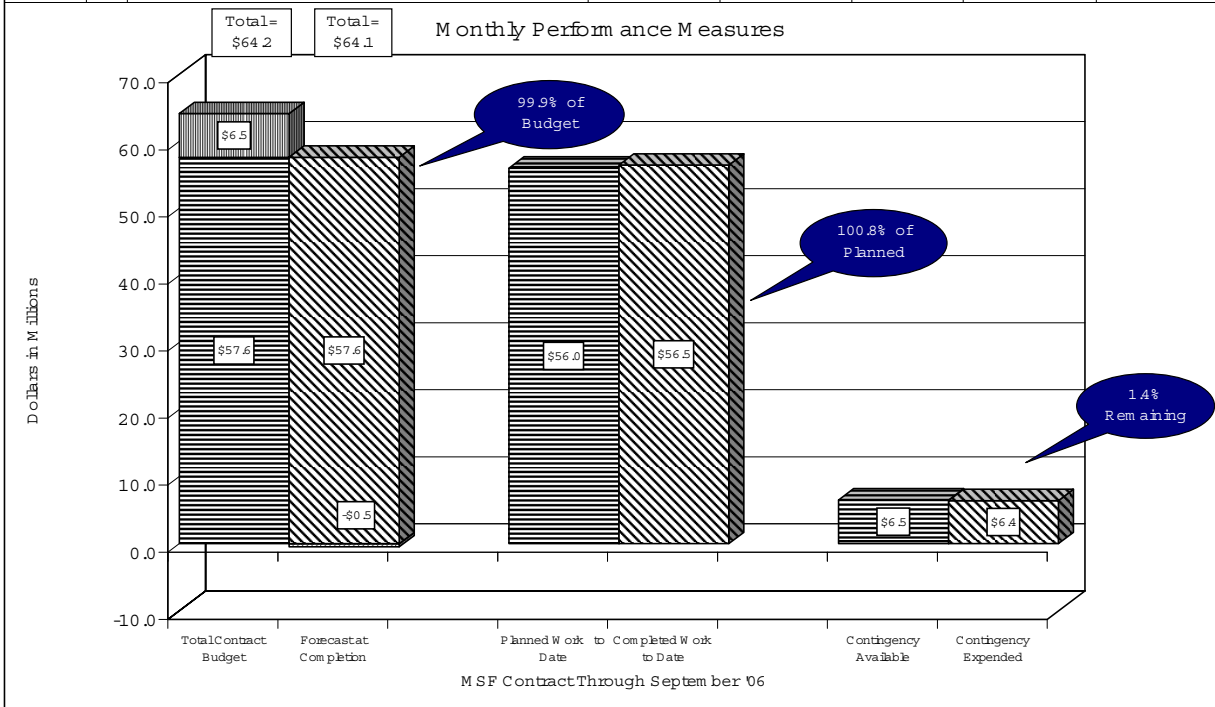


Motor Control Center for the LRV Lift



SEPTEMBER 2006 RAIL PROGRESS REPORT

	Description:	3.5.1 Maintenance Support Facility	
	PE/PA:	Avrum Loewenstein	
	Contractor:	Sundt/Stacy Wibeck	
	Resident Engineer:	Frank Aber	
	Data Through:	August 31, 2006	
	Cumulative	5309	Total
1	Budget	\$57,637,721	\$57,637,721
2	Executed Change Orders	\$6,636,150	\$6,636,150
3	Budget Transfers	-\$257,984	-\$257,984
4	Current Budget (1+2+3)	\$64,015,887	\$64,015,887
5	Work Scheduled	\$56,006,982	\$56,006,982
6	Work Earned	\$56,473,575	\$56,473,575
7	Actual Expenditures	\$56,104,974	\$56,104,974
8	Forecast to Complete Base (4-7)	\$7,910,913	\$7,910,913
9	Change Orders Pending Execution	-\$472,826	-\$472,826
10	Forecast at Completion (7+8+9)	\$63,543,061	\$63,543,061
11	Percent Budget Expended (7/4)	87.6%	87.6%
12	Percent Planned (5/4)	87.5%	87.5%
13	Earned Percent Complete (6/4)	88.2%	88.2%
14	Schedule Performance (6/5)	1.01	1.01
15	Cost Performance (6/7)	1.01	1.01
16	Contingency Budget	\$6,513,772	\$6,513,772
17	Remaining Contingency	\$92,464	\$92,464
18	Percent Contingency Remaining (17/16)	1.4%	1.4%
	Period		
1	Budget	N/A	N/A
2	Executed Change Orders	\$85,370	\$85,370
3	Budget Transfers	\$0	\$0
4	Current Budget (1+2+3)	\$56,006,982	\$56,006,982
5	Work Scheduled (Cum - Last Period)	\$2,292,673	\$2,292,673
6	Work Earned (Cum - Last Period)	\$3,719,338	\$3,719,338
7	Actual Expenditures (Cum - Last Period)	\$2,811,057	\$2,811,057
8	Forecast to Complete Base (4-7)	\$53,195,925	\$53,195,925
9	Change Orders Pending Execution	-\$85,370	-\$85,370
10	Forecast at Completion (7+8+9)	\$55,921,612	\$55,921,612
11	Percent Budget Expended (7/4)	5.0%	5.0%
12	Percent Planned (5/4)	4.1%	N/A
13	Earned Percent Complete (6/4)	6.6%	N/A
14	Schedule Performance (6/5)	1.62	1.62
15	Cost Performance (6/7)	1.32	1.32
16	Contingency Budget		
17	Remaining Contingency		
18	Percent Contingency Remaining (17/16)		



Park-and-Ride



Description

Surface Park-and-Rides (PNR) are proposed at eight sites along the alignment. Approximately 3,600 spaces are to be provided. Sites are located at 19th Avenue and Montebello, 19th Avenue and Camelback Road, Central Avenue and Camelback Road, 38th Street and Washington Street, Dorsey Lane and Apache Boulevard, McClintock Road and Apache Boulevard, Price Freeway and Apache Boulevard., and Sycamore and Main Street. The lots are adjacent to Transit Centers at 19th Street and Montebello, Central and Camelback and Sycamore and Main Street.

The Surface Parking Lots construction package includes work for demolition, grading, drainage, concrete curbs, concrete sidewalks, asphalt concrete pavement, lighting, irrigation, landscaping, a security building, signing and pavement marking. CCTV security cameras and emergency telephones will be installed under the Signals and Communication construction package.

Progress

- The 19th Avenue and Montebello site is at 100 percent design completion by the primary sub-consultant. 100 percent consolidation of plans is in process by the GEC.



- The 19th Avenue and Camelback site is at 100 percent design completion by the primary sub-consultant. 100 percent consolidation of plans is in process by the GEC.
- The Central Avenue and Camelback PNR change order for redesign is complete. The new design will be complete and approved in time to include in the total PNR bid package in April 2007.
- The Dorsey and Apache PNR has been designed by the City of Tempe as a maintenance upgrade only. Completion of this work is outside of this Contract.
- The 38th Street and Washington Street PNR site has reached the 100 percent design completion by the primary sub-consultant. A final draft for the IGA between Gateway Community College and the City of Phoenix has been settled. One hundred percent consolidation of plans is in process by the GEC.
- The McClintock and Apache PNR site has reached the 100 percent design completion by the primary sub-consultant. One hundred percent consolidation of plans is in process by the GEC. The City of Tempe is working with a prospective developer to design and construct a Transit Oriented Development that would provide an equivalent number of parking spaces as proposed for the current surface parking lot. If the development proceeds, it is to be completed for parking no later than the current surface lot date of December 2008. If the development does not proceed the current surface lot will be constructed as planned.
- The Loop 101 and Apache PNR site has reached the 100 percent design completion by the primary sub-consultant. One hundred percent consolidation of plans is in process by the GEC.
- The Sycamore and Main PNR site has reached the 100 percent design completion by the primary sub-consultant. One hundred percent consolidation of plans is in process by the GEC.

Cost and Schedule – Variance Analysis

- The budget for all sites is \$15,104,339 with a contingency of \$1,208,300.
- A December 2005 construction estimate and projections indicate a base cost (without soft costs) of \$21,000,000. This cost does not include shade canopies.
- With the Central and Camelback site included, a bid date is scheduled for April 2007 with construction completion of all sites by December 2008. Construction start-up of some sites is necessarily delayed by their use as construction yards by the line section contractors.



Issues and Solutions

- None

Track Material Procurement



Description

The track materials are broken down into five separate procurements as follows:

- Ballasted Special Trackwork – includes ballasted turnouts and concrete switch ties for the MSF and direct fixation fasteners for the MSF, Town Lake Bridge (TLB) and Deck Park Bridge.
- Girder Rail – rail needed for the embedded trackwork.
- Girder Rail Special Trackwork – turnouts needed for the embedded trackwork.
- Concrete Crossties – concrete crossties needed for the MSF.
- T Rail – rail for the MSF, TLB including approaches and Deck Park Bridge.

Progress

- Girder Rail
 - The Contractor is approximately 98 percent complete. The Contractor did not make any material deliveries during this month.
- Embedded Special Trackwork
 - The Contractor continues to produce crossover and turnout castings for this contract. During this month the rail team made an inspection trip to Birmingham, Alabama to check on the Contractor's progress and perform a layout inspection on the first half of the Pocket Track for LS5. If this first half

is approved the contractor will deliver the materials the first week in September.

- Our next inspection trip (Birmingham, Alabama) is scheduled for late August 2006.

Cost and Schedule – Variance Analysis

- Track material procurement activities remain on schedule and within budget at this time.

Issues and Solutions

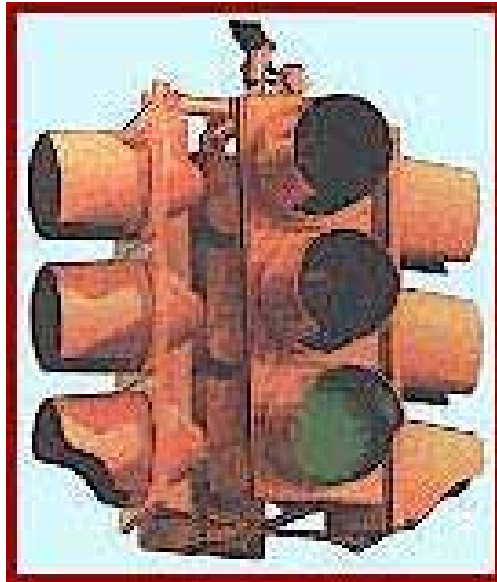
- There are no significant issues at this time.

Construction Photo



Crosssties for Turnout 4-5 and 4-6 that are to be installed on Line Section 4

Traffic Signal Procurement



Description

These Purchase Orders include the system-wide procurement of traffic signal poles, controllers, controller cabinets, and traffic central system upgrades for the City of Phoenix and Tempe.

Progress

- All of traffic signal equipment for the five Line Section Contracts initially ordered under these Purchase Orders has been delivered to METRO or directly to the Line Section Contractors' staging areas.

Cost and Schedule – Variance Analysis

- Traffic signal procurement activities have been completed.
- A table showing the status of costs incurred to-date versus budget is shown below:

Description	Contract/Budget Amount	Total Payments
COP Traffic System Upgrades	\$958,862.00	\$596,957.60
COT Traffic System Upgrades	\$344,097.00	\$189,612.00
Traffic Signal Controller/Cabinets	\$2,711,527.00	\$2,516,973.82
LS 1 Traffic Signal Poles/Mast Arms (PO is completed)	\$209,144.33	\$204,961.42
LS 2 Traffic Signal Poles/Mast Arms (PO is completed)	\$309,685.98	\$304,479.32
LS 3 Traffic Signal Poles/Mast Arms (PO is completed)	\$1,369,268.37	\$1,241,739.95
LS 4 Traffic Signal Poles/Mast Arms	\$369,069.21	\$365,378.49

Description	Contract/Budget Amount	Total Payments
(Phoenix) (PO is completed)		
LS 4 Traffic Signal Poles/Mast Arms (Tempe) (PO is completed)	\$337,883.37	\$336,248.15
LS 5 Traffic Signal Poles/Mast Arms (Tempe)	\$942,013.10	\$840,942.23

Issues and Solutions

- A Non-Conformance Reports (NCR) was issued to CEM-TEC Inc., the Line Section 3 Traffic Signal Pole contractor, at the end of July 2006 because of a problem that was encountered with some of the copper colored poles that were delivered under this particular purchase order. The paint finish on these poles has oxidized leaving a white film over the paint finish.
- The Contractor response for the cause of non-conformance and their recommendation for remedy are being evaluated by the Resident Engineer and the City of Phoenix.

Construction Photos



Copper colored poles have developed an oxidation problem



Copper colored poles stored at Maintenance Storage Facility Storage Yard

Underfloor Wheel Profiling Machine



Description

Design, fabricate, furnish an Underfloor Wheel Profiling Machine, Mechanical Chip Collection/Removal Conveying System, and all necessary accessories, items of equipment, and mechanical, electrical, controls and structural items to re-profile wheels on Light Rail Vehicles. Deliver the machine to the MSF and install the machine within the concrete foundation constructed by the Agency in the Maintenance of Equipment building. Inspect, test, start-up the machine to ensure it is operating properly and safely and provide training to Agency staff.

Progress

- Simmons Machine Tool Corporation continues to work on the manufacturing of components and assembly of the machine.

Cost and Schedule – Variance Analysis

- Wheel profiling machine activities remain on schedule and within budget at this time.

Issues and Solutions

- None

13. Systems

Automated Fare Collection System



Description

Design, manufacture, furnish, assemble, test, inspect and install the LRT Automated Fare. Collection System (AFCS) for use by METRO. The AFCS consists of Ticket Vending Machines (TVMs), Ticket Validators (Validators) integrated within the TVMs, a Data Collection/Information System (DC/IS), station LANs, Hand Held Verifiers (HHVs), Revenue Collection Equipment, related data communication networks to allow the TVMs to communicate with a central fare collection computer, spare parts, tools, test equipment, documentation, software listings, training, technical assistance and warranty.

Progress

- Submittals review comments have been provided to the Contractor including Management Plan, Preliminary Master Program Schedule and Contract CDRL List.
- Contractor currently in the Conceptual Design Phase. Contractor provided 21 conceptual design submittals for review and comments. CDR meeting will be scheduled in October 2006.



Cost and Schedule – Variance Analysis

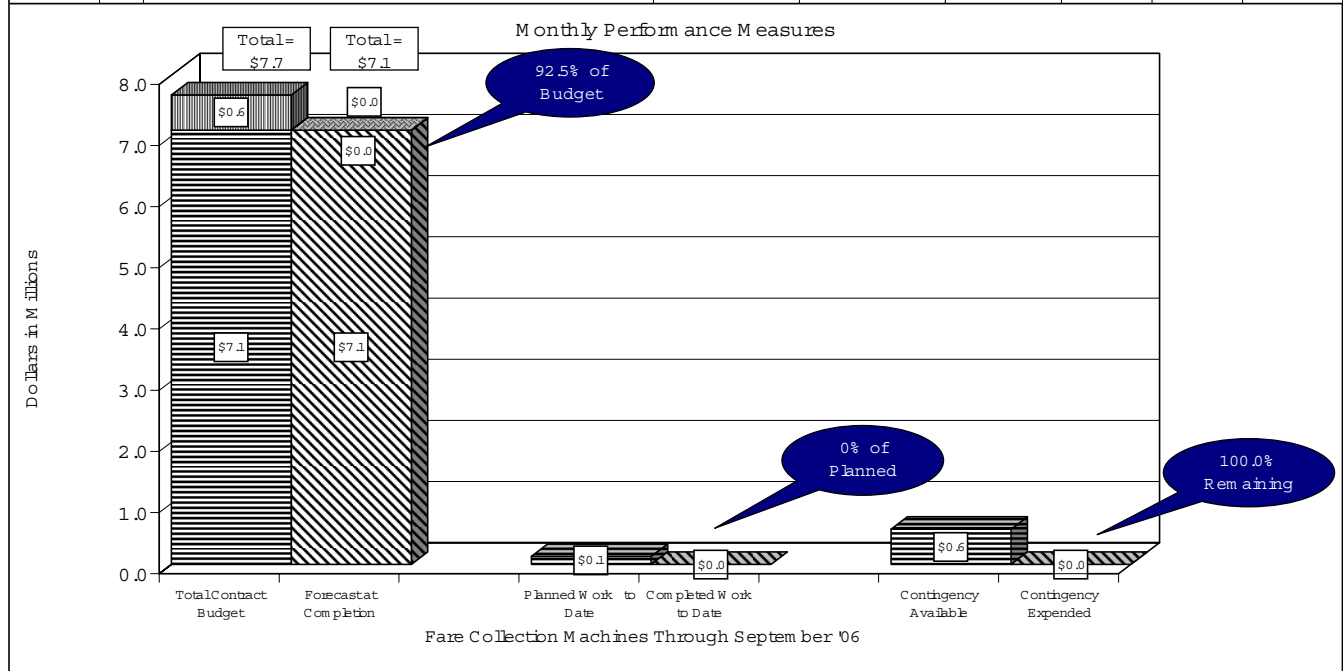
- Fare collection system activities remain on schedule and within budget at this time.

Issues and Solutions

- COP Public Transit Department and METRO received Contractor's Proposal to combine Fare Collection Data Central Processing in one single office. Proposal is in review by METRO and COP PTD/ITD.



	Description:	Fare Collection Machines
	PE/PA:	Arkady Bemshytyn
	Contractor:	Scheidt & Bachmann USA, Inc.
	Resident Engineer:	Thomas Klings
	Data Through:	N/A
	Cumulative	
1	Original Budget	\$7,100,012
2	Executed Change Orders	\$0
3	Budget Transfers	\$0
4	Current Budget (1+2+3)	\$7,100,012
5	Work Scheduled	\$131,782
6	Work Earned	\$0
7	Actual Expenditures	\$0
8	Forecast to Complete Base (4-7)	\$7,100,012
9	Change Orders Pending Execution	\$1,600
10	Forecast at Completion (7+8+9)	\$7,101,612
11	Percent Budget Expended (7/4)	0.0%
12	Percent Planned (5/4)	1.9%
13	Earned Percent Complete (6/4)	0.0%
14	Schedule Performance (6/5)	N/A
15	Cost Performance (6/7)	N/A
16	Contingency Budget	\$574,535
17	Remaining Contingency	\$574,535
18	Percent Contingency Remaining (17/16)	100.0%
	Period	
1	Original Budget	\$0
2	Executed Change Orders	\$0
3	Budget Transfers	\$0
4	Current Budget (1+2+3)	\$7,100,012
5	Work Scheduled (Cum - Last Period)	\$1,540
6	Work Earned (Cum - Last Period)	\$0
7	Actual Expenditures (Cum - Last Period)	\$0
8	Forecast to Complete Base (4-7)	\$7,100,012
9	Change Orders Pending Execution	\$0
10	Forecast at Completion (7+8+9)	\$7,100,012
11	Percent Budget Expended (7/4)	0.0%
12	Percent Planned (5/4)	0.0%
13	Earned Percent Complete (6/4)	0.0%
14	Schedule Performance (6/5)	N/A
15	Cost Performance (6/7)	N/A
16	Contingency Budget	
17	Remaining Contingency	
18	Percent Contingency Remaining (17/16)	



Light Rail Vehicle



Description

METRO has a Contract with KINKISHARYO International, L.L.C. (KI) for two prototype and forty eight production light rail vehicles (LRVs) for a total of thirty-six LRVs. The contract includes prototype engineering, special tools and test equipment, training, spare parts and publications. The cars are 70 percent low-floor, double-articulated LRVs with two main “A” and “B” passenger sections and a mid “C” section, joined to form one single operating unit. There are four passenger doors on each side and an operators cab at each end. The LRVs are designed to be “street friendly” with energy absorbing bumpers and crashworthy cab ends.

Progress

- METRO is continuing review of submittals of Contract Data Requirement List items (CDRLs) the bulk of which are test procedures and reports as well as First Article Inspection (FAI) reports.
- METRO held Design Review Meeting No. 22 with KI on June 15, 2006. The main topics for presentation by KI and discussion were: Bumper side panel application; truck FAI; closing open items; bumper fit; master control review on mockup; climate room schedule; and vehicle delivery schedule.



- METRO/KI dialogue continues regarding vehicle final assembly in Arizona. Also, the MSF is still one option.
- Changes for an Overhead Catenary System (OCS) Surveillance Camera Installation on two cars and an Automatic Passenger Counting System (APC) for the fleet are being processed.

The following describes ongoing METRO resident inspection, quality assurance, manufacturing monitoring, and site surveillance activities at the Kinki Sharyo factory in Osaka Japan (KS-J) during June 2006:

- LRV Mass Production – 20 Trains are now in production.
- An inspection of the grit blasting is being performed and ongoing. No defects noted.
- A visual and dimensional inspection of underframe and car body was performed and ongoing. The dimensions were within tolerance, but defects were noted during the inspection. No defects remained after rework and reinspection.
- KS-J completed the 14 underframe bolsters and has set up the end frame underframe jig for mass-production. The end underframe for car 105A was produced and removed from the jig, and KS-J performed weld finishing work. The first 14 underframes for car 105 - 114 have been welded and inspected, and NDT for 105A and C have been completed. Underframes have been grit blasted and primer has been applied.
- Carbody – water tests were performed on Cars 101 - 109. Some open items remain. Sound deadener has been applied. Installation of the insulation is now in process. In car 102A, installation of the main duct and ceiling panels as well as the cab partition wall is complete. Installation of window masks is in process. In cars 103 to 105 installation of the main duct and ceiling panels is in process. In car 103 to 109 installation of interior wiring and duct is in process. 102 is scheduled for climate testing October 2, 2006 – October 20, 2006.
- Concealment inspections were witnessed in two stages each for cars 101 and 109. All noted defects were repaired. No defects remain.
- KS-J has made parts adjustments to all the A and B prototype cars at the cab front mask around the front destination sign opening. This allowed KS-J to install the front windshield and destination sign window.
- KS-J advised that a new rubber seal will be installed on the front headlights to improve the water tightness.
- LRV 101 left Japan on September 30, 2006 heading to Baltimore. On October 26, 2006 testing will start in November at Hudson Bergen.

- 102 is at Nippon Sharyo for climate testing October 2, 2006 – October 20, 2006 and will not ship to METRO until January 7, 2007 due to eliminate room modifications

Cost and Schedule – Variance Analysis

- No perceptible cost or schedule variance. Car delivery remains on schedule sufficient to meet the needs of the overall program. Performance is indicated on the spreadsheet.

Issues and Solutions

- None

Construction Photographs



Carbody clearance test. Prototype car 101, August 1, 2006.



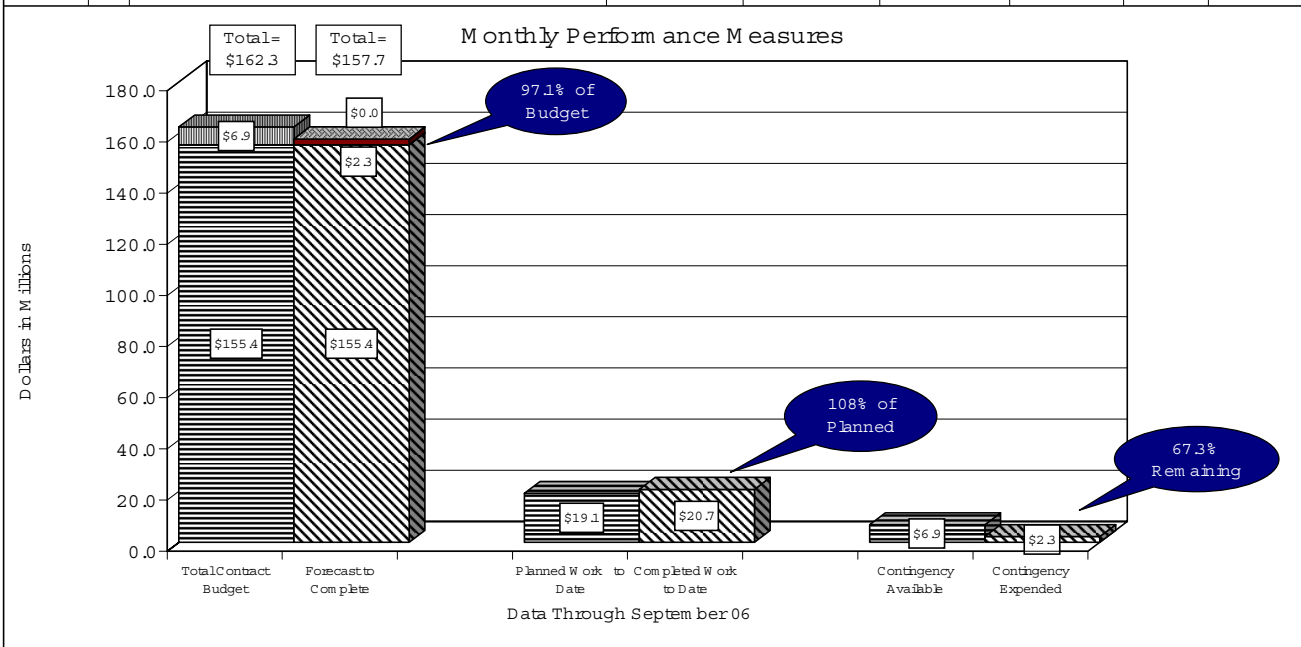
Horizontal curve carbody clearance test for articulation. Prototype car 101, August 1, 2006



Prototype car 101C loaded and ready for shipment from KS-Osaka to Kobe Port. September 19, 2006



Description:		3.7.1 Light Rail Vehicles		
PE/PA:		Steve Bethel		
Contractor:		Kinkisharo International		
Resident Engineer:		John Swanson		
Data Through:		August 31, 2006		
Cumulative		5309	COP Funded	Total
1	Original Budget	\$115,369,780	\$40,050,160	\$155,419,940
2	Executed Change Orders	\$2,255,676	\$0	\$2,255,676
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$117,625,456	\$40,050,160	\$77,575,296
5	Work Scheduled	\$19,136,067	N/A	\$19,136,067
6	Work Earned	\$20,702,833	N/A	\$20,702,833
7	Actual Expenditures	\$20,672,257	N/A	\$20,672,257
8	Forecast to Complete Base (4-7)	\$96,953,199	N/A	\$96,953,199
9	Change Orders Pending Execution	\$0	N/A	\$0
10	Forecast at Completion (7+8+9)	\$117,625,456	\$40,050,160	\$117,625,456
11	Percent Budget Expended (7/4)	17.6%	N/A	26.6%
12	Percent Planned (5/4)	16.3%	N/A	24.7%
13	Earned Percent Complete (6/4)	17.6%	N/A	26.7%
14	Schedule Performance (6/5)	1.08	N/A	1.08
15	Cost Performance (6/7)	1.00	N/A	1.00
16	Contingency Budget	\$4,768,489	\$2,135,840	\$6,904,329
17	Remaining Contingency	\$2,512,813	\$2,135,840	\$4,648,653
18	Percent Contingency Remaining (17/16)	52.7%	100.0%	67.3%
Period				
1	Original Budget	\$115,369,780	\$40,050,160	\$155,419,940
2	Executed Change Orders	\$0	\$0	\$0
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$117,625,456	\$40,050,160	\$157,675,616
5	Work Scheduled (Cum - Last Period)	\$973,987	N/A	\$973,987
6	Work Earned (Cum - Last Period)	\$4,750,728	N/A	\$4,750,728
7	Actual Expenditures (Cum - Last Period)	\$4,681,735	N/A	\$4,681,735
8	Forecast to Complete Base (4-7)	\$112,943,721	N/A	\$112,943,721
9	Pending Changes	\$0	N/A	\$0
10	Forecast at Completion (7+8+9)	\$117,625,456	\$40,050,160	\$157,675,616
11	Percent Budget Expended (7/4)	4.0%	N/A	6.0%
12	Percent Planned (5/4)	16.3%	N/A	24.7%
13	Earned Percent Complete (6/4)	16.3%	N/A	24.7%
14	Schedule Performance (6/5)	1.00	N/A	4.88
15	Cost Performance (6/7)	1.00	N/A	1.00
16	Contingency Budget	\$4,768,489	\$2,135,840	\$6,904,329
17	Remaining Contingency	\$2,512,813	\$2,135,840	\$4,648,653
18	Percent Contingency Remaining (17/16)	52.7%	100.0%	67.3%



Note: COP Funded Data unavailable

Signals and Communications



Description

The LRT Signal and Communications (SC) Contract provides for the final design, manufacturing, installation, and testing of the integrated signal and communication system.

Major work elements include train signal equipment and communication hardware and software for controlling train movements through crossovers and interlockings, fiber-optic backbone communication transmission system (CTS), closed-circuit TV (CCTV), public address system (PA), variable message boards (VMB), Train Control System, Vehicle Management (VMS), Radio System, PABX and Telephone System including emergency telephones at Park-and-Rides and Transit Centers, Supervisory Control and Data Acquisition System (SCADA), installation of workstations and equipment in the Operations Control Center (OCC) and at the Maintenance and Storage Facility (MSF), six site-built signal buildings and three signal buildings combined with traction power substations. The work scope also includes installation of fiber-optic cables for street traffic control systems for the Cities of Phoenix, Tempe and Mesa, and installation of fiber-optic cables for ASU.



Progress

- Signal Buildings and Signal Cases
 - Contractor completed foundation and slab at Signal Building No. 6.
 - Contractor currently coordinating and installing power feeds from the MOW Building at Signal Building No. 5.
 - Contractor continuing electrical and mechanical rough-in installation at Signal Building No. 4.
 - Contractor continuing electrical and mechanical rough-in installation at Signal Building No. 3.
- Signaling System
 - Contractor performed Factory Acceptance Testing for the Culver Interlocking Signal Equipment with Metro representatives as witnesses.
 - Contractor is performing checkout inspection and testing in preparation for Factory Acceptance Testing for the McKinley Loop Interlocking Signal Equipment, as well as First Article Inspection for Signal Cases.
- Communications System
 - Contractor currently performing Final Design for Communication System.
 - Metro, MEC, ACS, and GeoFocus met at GeoFocus's facility to discuss vehicle data radio interfaces and protocols.
- OCC Build Out
 - Contractor starting core drilling operations at the OCC Building.
- Coordinating with other Contracts
 - Master Schedule Update. Contractor presented S&C Mitigation Schedule to Metro. Contractor is currently preparing cost impacts package to support revised facilities access and system milestone dates.
 - On-going coordination with LS4 Contractor for the Yard Entrance Area to support installation of power and signal rail connections, earth boxes, and signals. Installed pigtailed for shunt fouling and AFO track circuits.
 - On-going coordination with LS3 Contractor for the McKinley Loop Area to support installation of power and signal rail connections, earth boxes, and signals.
 - On-going coordination with MSF Contractor to support required systems startup interfaces. Continuing to await resolution of turnover punch-list items.

- Met with vehicle systems contractor to discuss interface between communications systems and vehicle systems.

Cost and Schedule – Variance Analysis

- The contractor has completed 21.2 percent of the work to-date. The contract is in the early stages of submittals, design and procurement with some field construction work in progress. Field construction to date has included the civil and architectural parts of four signal buildings, signal equipment installation in the MSF Yard signal building, some architectural work at the OCC, some track bonding at MSF and installation of powered switch machines at MSF. Planned progress is currently being evaluated as the master schedule revisions are being implemented.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- Mitigation Schedule. Awaiting the Contractor Mitigation Schedule Cost Impacts submittal, due October 13, 2006.

Construction Photographs



SB No. 3 - Installation of Overhead Cable Trays



SB No. 5 – Installation of 480V Power Cable



SB No. 6 - Compacting for AC Pad



SB No. 4 - Testing SFRM



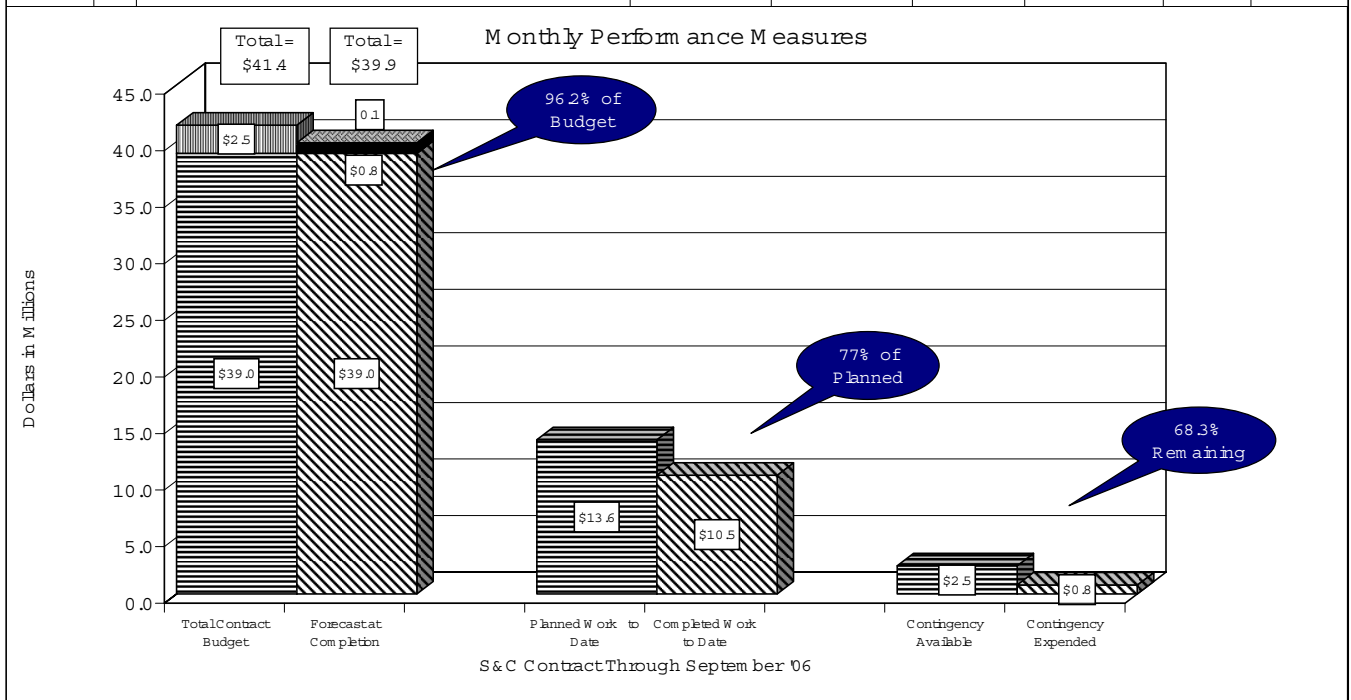
FAT Culver Interlocking Signal Equipment



Yard Entrance - Rail Bonding
Shunt Fouling Pigtails



Description:		3.7.4 Signals & Communications		
PE/PA:		Leslee O'Connell		
Contractor:		Mass Electric		
Resident Engineer:		Steve Kyauk		
Data Through:		August 15, 2006		
Cumulative		5309	CNPA	Total
1	Original Budget	\$37,476,762	\$1,480,805	\$38,957,567
2	Executed Change Orders	\$867,256	\$0	\$867,256
3	Budget Transfers	-\$80,332	\$0	-\$80,332
4	Current Budget (1+2+3)	\$38,344,018	\$1,480,805	\$39,744,491
5	Work Scheduled	\$13,513,386	\$130,569	\$13,643,955
6	Work Earned	\$10,414,977	\$67,955	\$10,482,932
7	Actual Expenditures	\$8,871,776	\$30,000	\$8,901,776
8	Forecast to Complete Base (4-7)	\$29,472,242	\$1,450,805	\$30,842,715
9	Change Orders Pending Execution	\$126,728	\$0	\$126,728
10	Forecast at Completion (7+8+9)	\$38,470,746	\$1,480,805	\$39,871,219
11	Percent Budget Expended (7/4)	23.1%	2.0%	22.4%
12	Percent Planned (5/4)	35.2%	8.8%	34.3%
13	Earned Percent Complete (6/4)	27.2%	4.6%	26.4%
14	Schedule Performance (6/5)	0.77	0.52	0.77
15	Cost Performance (6/7)	1.17	2.27	1.18
16	Contingency Budget	\$2,388,332	\$93,913	\$2,482,245
17	Remaining Contingency	\$1,521,076	\$93,913	\$1,695,321
18	Percent Contingency Remaining (17/16)	63.7%	100.0%	68.3%
Period				
1	Original Budget	N/A	N/A	N/A
2	Executed Change Orders	\$380,753	\$0	\$380,753
3	Budget Transfers	\$0	\$0	\$0
4	Current Budget (1+2+3)	\$38,344,018	\$1,480,805	\$39,824,823
5	Work Scheduled (Cum m - Last Period)	\$872,845	\$14,637	\$887,482
6	Work Earned (Cum m - Last Period)	\$2,116,646	\$37,927	\$2,154,573
7	Actual Expenditures (Cum m - Last Period)	\$553,317	\$0	\$553,317
8	Forecast to Complete Base (4-7)	\$37,790,701	\$1,480,805	\$39,271,506
9	Change Orders Pending Execution	-\$1,577	\$0	-\$1,577
10	Forecast at Completion (7+8+9)	\$38,342,441	\$1,480,805	\$39,823,246
11	Percent Budget Expended (7/4)	1.4%	0.0%	1.4%
12	Percent Planned (5/4)	2.3%	1.0%	2.2%
13	Earned Percent Complete (6/4)	5.5%	2.6%	5.4%
14	Schedule Performance (6/5)	2.42	2.59	2.43
15	Cost Performance (6/7)	3.83	N/A	3.89
16	Contingency Budget	\$2,388,332	\$93,913	\$2,482,245
17	Remaining Contingency	\$1,521,076	\$93,913	\$1,695,321
18	Percent Contingency Remaining (17/16)	63.7%	100.0%	68.3%



Traction Electrification System



Description

The Traction Electrification System (TES) provides the electric power required to operate the Light Rail Vehicles (LRV). There are two main components to the TES, these are: Traction Power Substations (TPSS) that convert incoming utility power to DC power, which is used by the LRV and the Overhead Contact System (OCS), which distributes the DC power to the trackway. There are 15 Site Built 2,000 kW substations. Twelve of the substations are 22 feet by 44 feet and three are 22 feet by 57 feet. The substation buildings will be constructed of integrally colored concrete block on landscaped sites. The OCS is comprised of 20 route miles of double-track low-profile overhead catenary. The OCS will be installed on over 1,300 round painted poles. The nominal system voltage is 750 VDC. The nominal height of the OCS above the roadway is 18 feet, 6 inches.

The TES Contract provides final design of the TPSS and OCS, manufacturing, fabrication, installation and testing.

Progress

- Traction Power Substation No. 1
 - Fireproofing patchwork progressed.
- Traction Power Substation No. 2
 - Roof installation has been completed.



- Interior walls and rough-in work has commenced.
 - Rectifier-Transformer has been delivered.
- Traction Power Substation No. 3
 - Excavation of ductbanks continued.
- Traction Power Substation No. 4
 - Installation of conduits, ductbanks, and ground grid commenced.
- Traction Power Substation No. 5
 - No work performed this month.
- Traction Power Substation No. 6
 - Door installations have commenced.
 - Installation of HVAC ductwork and equipment commenced.
- Traction Power Substation No. 7
 - CMU wall installation has commenced.
- Traction Power Substation No. 8
 - No work performed this month.
- Traction Power Substation No. 9
 - DC Switchgear, AC Switchgear, Rectifier and Bus Duct have been delivered.
- Traction Power Substation No. 10
 - Installation of conduits, ductbanks, and ground grid progressed.
- Traction Power Substation No. 11
 - Installation of conduits, ductbanks, and ground grid progressed.
- Traction Power Substation No. 15
 - Metal paneling installation has been completed.
 - CMU voids have been replaced.
 - Installation of door hardware progressed.



- Overhead Contact System
 - OCS pole/hardware installations continue in the MSF Yard.
- Site Access/Permits
 - TPSS #13 was submitted to Mesa Building Safety for permit. The building permit should be available by October 16, 2006.
 - TPSS #14 was submitted to Mesa Building Safety for initial review. The building permit should be available by November 16, 2006.
 - TPSS No. 12 (McClintock Park-and-Ride) has utility impacts which require remediation to allow the TPSS building to be constructed. Tempe has engaged an electrical engineer to provide design for relocation of the underground electrical serving the mobile home park. The design will be followed by re-routing of the underground electrical. The schedule access to this site is January 15, 2007
- Coordination with other Contracts/Entities
 - Ongoing coordination meetings are being held with the Facility Contractors.

Cost and Schedule – Variance Analysis

- The contractor has completed 27.8 percent of their work to-date. The contract is in the final stages of design and procurement with some factory design and productions tests in progress. Field construction to date has included the civil and architectural parts of eleven out of the sixteen traction power substations and OCS components installation in the yard and yard lead at MSF. Planned progress is currently being evaluated as the master schedule revisions are being implemented.
- Planned versus actual progress is currently being evaluated as the Master Schedule revisions are being implemented.

Issues and Solutions

- MEC has been given comments on their mitigated schedule based on the updated projected Civil Contract milestone dates. MEC is scheduled to submit their revised mitigation schedule during the week of October 16, 2006.

Construction Photographs



2nd Lift of CMU Walls at TPSS No. 7



Ductwork Installation at TPSS No. 6



Grading work at TPSS No. 10



Installation of Rectifier into TPSS No. 9



Metal Stud Framing at TPSS No. 2



Concrete Encasement of Negative Ductbank at TPSS No. 11



Adjustment of Crossspans and Stagger on Storage Tracks

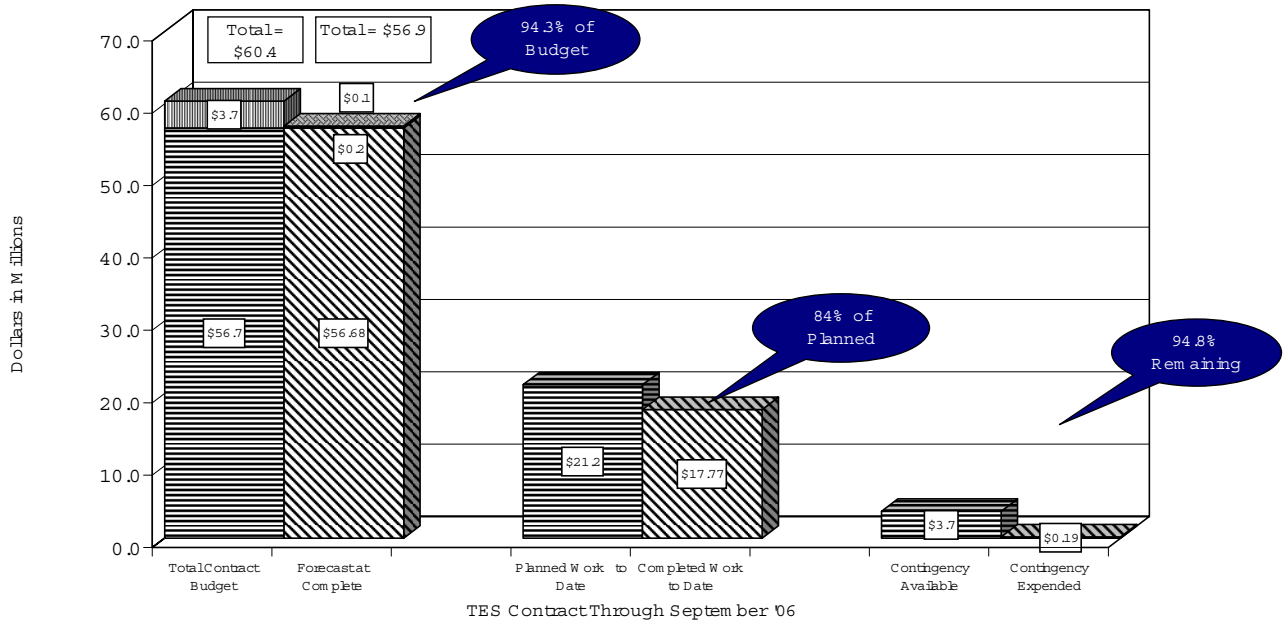


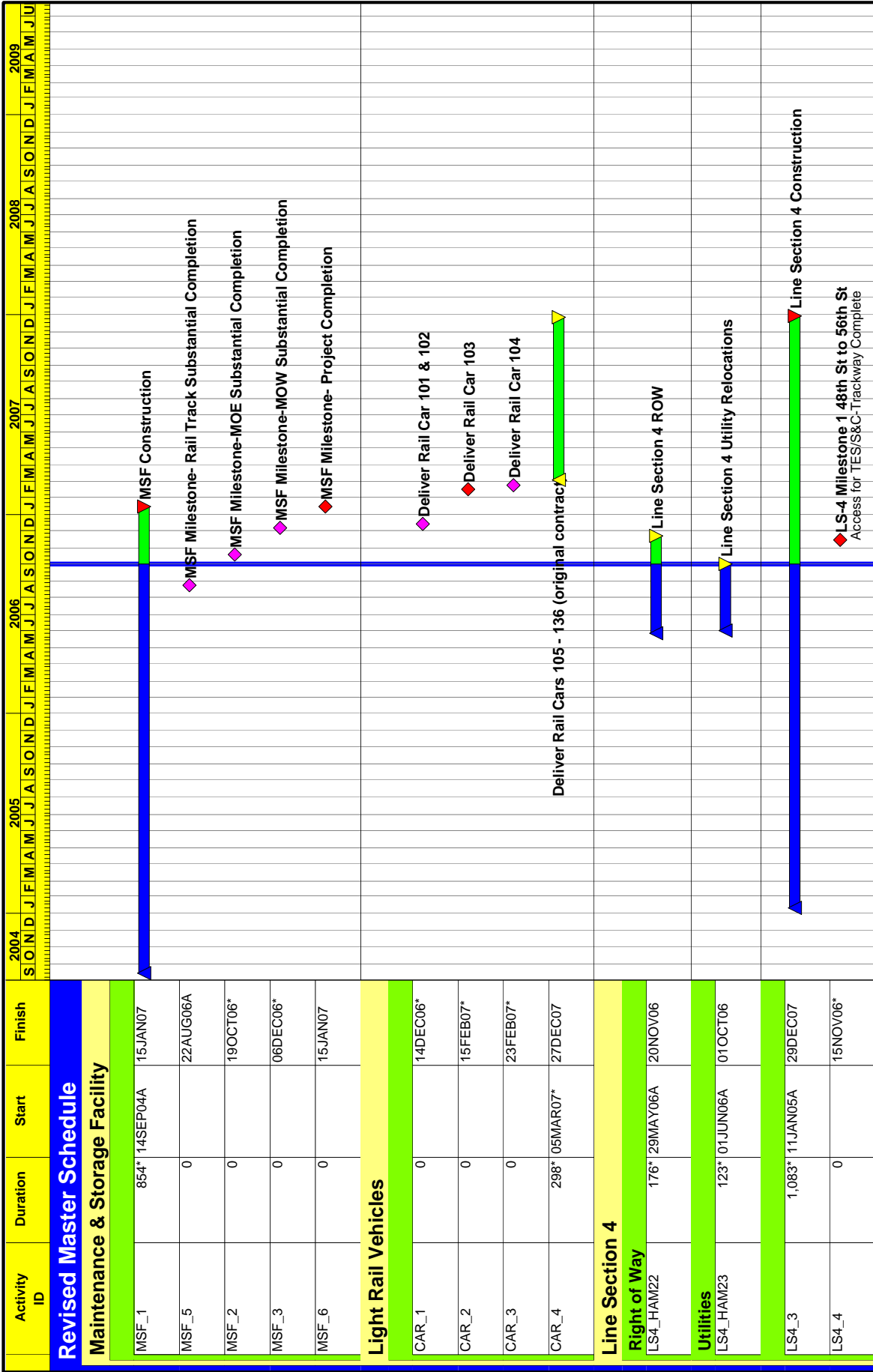
Cantilever Arm Installation at MSF Yard



Description:		3.7.3 Traction Electrification System s
PE/PA:		Alan Friend
Contractor:		Mass Electric Corporation
Resident Engineer:		Ron Wong
Data Through:		August 15, 2006
Cumulative		5309
1	Budget	\$56,681,003
2	Executed Change Orders	\$193,353
3	Budget Transfers	\$0
4	Current Budget (1+2+3)	\$56,874,356
5	Work Scheduled	\$21,200,197
6	Work Earned	\$17,767,298
7	Actual Expenditures	\$16,912,345
8	Forecast to Complete Base (4-7)	\$39,962,011
9	Change Orders Pending Execution	\$74,398
10	Forecast at Completion (7+8+9)	\$56,948,754
11	Percent Budget Expended (7/4)	29.7%
12	Percent Planned (5/4)	37.3%
13	Earned Percent Complete (6/4)	31.2%
14	Schedule Performance (6/5)	0.84
15	Cost Performance (6/7)	1.05
16	Contingency Budget	\$3,721,000
17	Remaining Contingency	\$3,527,647
18	Percent Contingency Remaining (17/16)	94.80%
Period		
1	Budget	N/A
2	Executed Change Orders	\$4,000
3	Budget Transfers	\$0
4	Current Budget (1+2+3)	\$56,874,356
5	Work Scheduled (Cum - Last Period)	\$1,410,205
6	Work Earned (Cum - Last Period)	\$1,931,077
7	Actual Expenditures (Cum - Last Period)	\$1,133,167
8	Forecast to Complete Base (4-7)	\$55,741,189
9	Change Orders Pending Execution	\$70,398
10	Forecast at Completion (7+8+9)	\$56,944,754
11	Percent Budget Expended (7/4)	2.0%
12	Percent Planned (5/4)	2.5%
13	Earned Percent Complete (6/4)	3.4%
14	Schedule Performance (6/5)	1.37
15	Cost Performance (6/7)	N/A
16	Contingency Budget	\$3,721,000
17	Remaining Contingency	\$3,527,647
18	Percent Contingency Remaining (17/16)	94.80%

Monthly Performance Measures





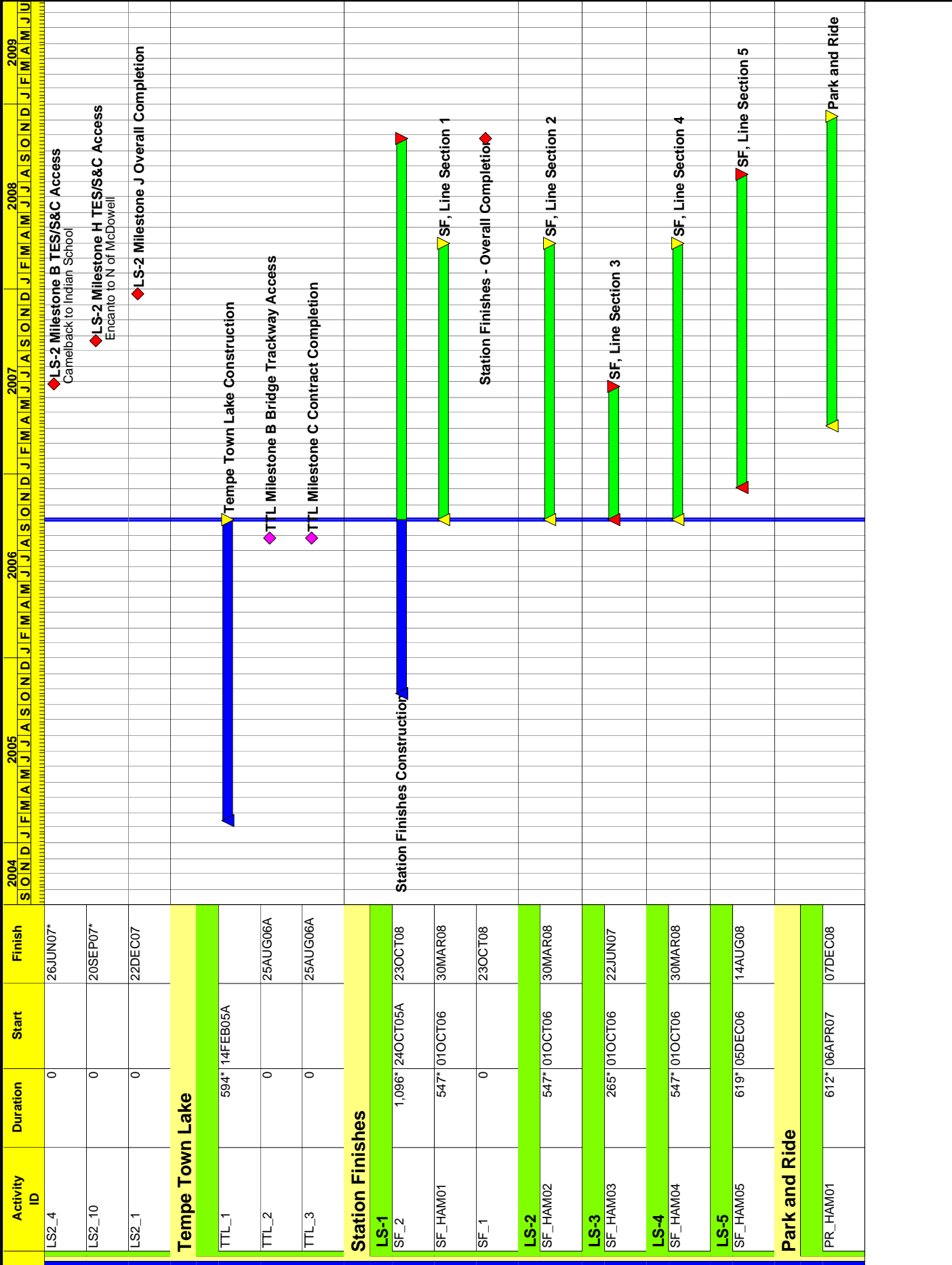
Start Date: 01AUG04
 Finish Date: 26DEC08
 Data Date: 01OCT06
 Run Date: 06OCT06 08:49

6010

Legend:
▶ Early Bar
▶ Progress Bar
▶ Critical Activity

Sheet 1 of 10 | Presentation Schedule

METRO Rail Program Control
Central Phoenix/East Valley LRT Project
October 1, 2006





Acronyms

AASHTO	American Association of State Highway and Transportation Officials
AC	Alternating Current
ACI	American Concrete Institute
ADA	Americans with Disabilities Act
ADOT	Arizona Department of Transportation
AISC	American Institute of Steel Construction
AISI	American Iron and Steel Institute
APM	Automatic People Mover
APPROX	Approximately
APS	Arizona Public Service
AREMA	American Railway Engineering and Maintenance-of-Way Association
ASTM	American Society for Testing and Materials
ASU	Arizona State University
ATS	Automatic Train Stop
AT&T	American Telephone and Telegraph Company
AWC	Archer Western Contractors
AWG	American Wire Gauge
AWS	American Welding Society
BTU	British Thermal Unit
CAC	Construction Administration Consultant
CALCS	Calculations
CCTV	Closed Circuit Television
CFM	Cubic Feet Per Minute
CFS	Cubic Feet Per Second
CMU	Concrete Masonry Unit
CNPA	Concurrent Non-Project Activity
COE	US Corp of Engineers
COM	City of Mesa
COMM	Communications
COP	City of Phoenix
COT	City of Tempe
CPU	Central Processing Unit
CRSI	Concrete Reinforcing Steel Institute
CRT	Cathode Ray Tube



CTS	Carrier Transmission System
CWR	Continuous Welded Rail
CY	Cubic Yard
DBE	Disadvantaged Business Enterprise
DC	Direct Current
DSD	Development Services Department
DWG	Drawing(s)
EPA	Environmental Protection Agency
EST	Estimate, Estimated
FAA	Federal Aviation Administration
FAI	First Article Inspection
FHWA	Federal Highway Administration
FPS	Feet Per Second
FTA	Federal Transit Administration
GEC	General Engineering Consultant
HVAC	Heating, Ventilating, Air Conditioning
ICBO	International Conference of Building Officials
IEEE	Institute of Electrical and Electronic Engineers
IFB	Invitation For Bid
IPI	In Process Inspection
LAN	Local Area Network
LRT	Light Rail Transit
LRV	Light Rail Vehicle
LS	Line Section
MAG	Maricopa Association of Governments
MEC	Mass Electric Company
MISC	Miscellaneous
MOE	Maintenance of Equipment
MOW	Maintenance of Way
MPH	Miles Per Hour
MSF	Maintenance and Storage Facility
MUTCD	Manual on Uniform Traffic Control Devices
NEC	National Electrical Code
NEMA	National Electrical Manufacturers Association
NESC	National Electrical Safety Code
NFPA	National Fire Protection Association



NRHP	National Register of Historic Places
OCC	Operations Control Center
OCS	Overhead Contact System
O&M	Operations And Maintenance
OPS	Operations
PA	Public Address
PAN	Pantograph
PBAX	Telephone Private Exchange And Controls
PCI	Prestressed Concrete Institute
PSI	Pre Shipment Inspection
PED	Pedestrian
PMC	Program Management Consultant
PNR	Park-and-Ride
PSF	Pounds Per Square Foot
PSI	Pounds Per Square Inch
PTZ	Pan Tilt Zoom
QA	Quality Assurance
QC	Quality Control
RE	Registered Engineer
RFI	Request For Information
RI	Receiving Inspection
RPM	Revolutions Per Minute
ROW	Right-of-Way
RTU	Remote Terminal Unit
S&C	Signals and Communications
SCADA	Supervisory Control and Data Acquisition
SDI	Steel Deck Institute
SJI	Steel Joist Institute
SONET	Synchronous Optical Network
SPEC	Specification
SRP	Salt River Project
SSPC	Structural Steel Painting Council
SSW	Sundt/Stacy and Witbeck
SSWJV	Sundt/Stacy and Witbeck Joint Venture
SWG	Southwest Gas Corporation
TBD	To Be Determined



TCE	Temporary Construction Easement
TES	Traction Electrification System
TTLB	Tempe Town Lake Bridge
TPSS	Traction Power Substation
TTY	Text Teletype ADA Device
TVM	Ticket Vending Machine
TWC	Train to Wayside Communications
UBC	Uniform Building Code
UL	Underwriters Laboratories Incorporated
UPRR	Union Pacific Railroad
UPS	Uninterruptible Power System
VCR	Video Cassette Recorder
VETAG	Vehicle Tagging System
VMB	Variable Message Board
VMR	Valley Metro Rail
VMS	Vehicle Management System
WAN	Wide Area Network