



Connecting Our Community.

ADMINISTRATIVE & FINANCE COMMITTEE

THURSDAY, MAY 15, 2014 – 8:00 A.M.

OMNITRANS METRO FACILITY

1700 WEST 5TH STREET

SAN BERNARDINO, CA 92411

The meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed in order to participate in the public meeting, requests should be made through the Recording Secretary at least three (3) business days prior to the Committee Meeting. The Recording Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY), located at 1700 West Fifth Street, San Bernardino, California. If you have comments about items on the agenda or other general concerns and are not able to attend the meeting, please mail them to Omnitrans at 1700 West Fifth Street, San Bernardino, California, Attention Board Secretary. Comments may also be submitted by email to BoardSecretary@omnitrans.org.

A. CALL TO ORDER

1. Pledge of Allegiance
2. Roll Call

B. ANNOUNCEMENTS/PRESENTATIONS

1. Next Committee Meeting: Thursday, June 12, 2014, 8:00 a.m.
Omnitrans Metro Facility Board Room

C. COMMUNICATIONS FROM THE PUBLIC

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the Administrative & Finance Committee, comments on items not on the agenda and on items on the agenda are to be limited to a total of three (3) minutes per individual.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

Disclosure – Note agenda items contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Board member abstentions shall be stated under this item for recordation in the appropriate item.

E. DISCUSSION ITEMS

1. Approve Administrative & Finance Committee Minutes – April 17, 2014
2. Receive & File Forward Fuel Purchase Program Update for May 2014
3. Recommend to Board of Directors, Receive and File Construction Progress Report No. 28 through April 25, 2014 – sbX E Street Corridor BRT Project

F. REMARKS AND ANNOUNCEMENTS

G. ADJOURNMENT

N/A

2

9

12

ITEM # E1

**ADMINISTRATIVE & FINANCE COMMITTEE
MINUTES OF APRIL 17, 2014**

A. CALL TO ORDER

The Administrative & Finance Committee meeting was called to order by Committee Chair Ed Graham at 8:00 a.m., Thursday, April 17, 2014.

Committee Members Present

Mayor Ed Graham, City of Chino Hills – Committee Chair
Mayor Carey Davis, City of San Bernardino
Mayor Paul Eaton, City of Montclair
Council Member Frank Gonzales, City of Colton
Mayor Pro Tem John Roberts, City of Fontana
Mayor Walt Stanckiewicz, City of Grand Terrace
Mayor Pro Tem Alan Wapner, City of Ontario

Committee Members Not Present

Mayor Ray Musser, City of Upland

OmniTrans Administrative Staff Present

Scott Graham, CEO/General Manager
Diane Caldera, Interim Director of Operations
Jack Dooley, Director of Maintenance
Marge Ewing, Director of Human Resources
Sam Gibbs, Director of Internal Audit Services
Jacob Harms, Director of Information Technology
Anna Rahtz, Acting Director of Planning & Development Services
Jennifer Sims, Director of Procurement
Don Walker, Director of Finance
Wendy Williams, Director of Marketing
Jeremiah Bryant, Service Planning and Scheduling Manager
Mark Crosby, Loss Prevention and Security Supervisor
Jim Deskus, sbX Project Analyst
Maurice Mansion, Treasury Manager
Andres Ramirez, sbX Construction Manager
Oscar Tostado, Maintenance Manager

B. ANNOUNCEMENTS/PRESENTATIONS

The next Committee Meeting is scheduled Thursday, May 15, 2014, at 8:00 a.m.

C. COMMUNICATIONS FROM THE PUBLIC

There were no comments from the public.

D. POSSIBLE CONFLICT OF INTEREST ISSUES

There were no conflict of interest issues identified.

E. DISCUSSION ITEMS

1. Approve Administrative & Finance Committee Minutes – March 13, 2014

M/S (Roberts/Stankiewicz) that approved the Committee Minutes of March 13, 2014. Member Eaton abstained. Motion was unanimous by remaining Members present.

2. Receive & File Forward Fuel Purchase Program Update for April 2014

Director of Finance Donald Walker presented the Forward Fuel Purchase Update for April 2014. For April, the contract closed above the hedge price by nearly 10 cents, thereby recognizing a gain of \$15,438 for the month. Since implementation in February 2012 through April 2014, Omnitrans has recognized a gain of \$42,243, and has an unrecognized gain of \$25,963 for the months of May and June, 2014. At the end of this contract, which is June 2014, Omnitrans is expected to realize a net gain of about \$66,000.

This item was received and filed.

At direction of Committee Chair, Item #4, presented next.

4. Recommend to Board of Directors, Forward Fuel Purchase Program, Fiscal Year 2015

Director of Finance Donald Walker explained that the current Forward Fuel Purchase Program through Morgan Stanley is scheduled to end June 2014. Throughout the program, the cost of fuel ranged from a low of \$0.80 per gallon in February 2012 to a high of \$0.98 per gallon in March 2014. Morgan Stanley has quoted a price of approximately \$0.38 to continue the Forward Fuel Program for Fiscal Year 2015. This cost, plus the other six components that comprise the total price of the fuel, bring the total cost per gallon to \$0.98. Omnitrans' fuel is budgeted at \$.92 per gallon in the current fiscal year and is budgeted at \$.92 per gallon in the proposed Fiscal Year 2015 budget. If Omnitrans were to hedge at the current quoted price of \$0.98 per gallon, (includes all cost components), the cost of the hedged fuel would cost \$35,800 per month more than the budgeted price of fuel.

Therefore, Omnitrans recommends that the Forward Fuel Purchase Program be continued once the spot market and the hedge price is at \$0.92 cents per gallon.

Committee Chair Graham asked if there is a reason that Omnitrans does not want to increase the number of gallons hedged. CEO/General Manager Graham said that hedging the 150,000 gallons of fuel has worked to balance the budget and it is the amount approved by the Board of Directors.

M/S (Stanckiewicz/Roberts) to recommend to Board of Directors, approval to continue the Forward Fuel Purchase Program in Fiscal Year 2015 for twelve (12) months when the price per gallon is equal to or less than the \$0.92 budgeted per gallon for Fiscal Year 2015. Motion was unanimous by Members present.

3. Receive & Forward to Board of Directors, Construction Progress Report No. 27 through March 19, 2014 – sbX E Street Corridor BRT Project

sbX Construction Manager Ramirez provided the update on the progress of the sbX Corridor, stating the corridor is 99.9% complete and will be ready for revenue service scheduled for April 28, 2014. The budget remains at \$191.7M, \$153.6M spent to date, with the estimated total at completion is \$189.9M. Over 400,000 man hours have been completed with zero lost time injuries on the combined sbX and Vehicle Maintenance Facility project. Punch list repairs for the stations and the roadwork/striping is close to complete and testing of the Transit Signal Priority (TSP) System continues. Staff is also working to finalize the Emergency Preparedness and Safety Certification for the project.

The Vehicle Maintenance Facility (VMF) is approximately 44% complete with projected completion scheduled in October 2014. Concrete demolition in Building A for the tire equipment and plaster outside the Battery Room is complete, and the embedded angles at the bus lifts are in progress. Grating efforts have resumed at Buildings B, C, and E, and the Booster Pump enclosure has been completed. The next steps include pouring the foundations for Buildings B and C, concrete placement for Bus Lifts in Building A and installation of the new compressors.

This item was received by the Committee and will be forwarded to the Board of Directors for receipt and file.

Board Chair Alan Wapner arrived at 8:12 a.m. Member Frank Gonzales arrived at 8:15 a.m.

5. Recommend to Board of Directors, Revisions to Personnel Policy #402, Management Confidential Classifications

Director of Human Resources Marjorie Ewing explained the recommended changes to Personnel Policy #402.

The first recommendation relates to revisions to Classifications of the policy and includes the addition of two new positions, three re-evaluated positions, and the elimination of seven staff positions effective July 1, 2014.

In December 2013, a structural assessment was conducted that compared Omnitrans' senior management organization structure to other like-sized agencies in the western United States and across the nation. Due to Omnitrans' constrained financial position, Omnitrans was not able to implement many of the recommendations from the assessment, but has identified some of the best practices and is recommending changes to the Agency's organization structure. These changes include the elimination of the Chief Financial Officer, elimination of the Director of Planning position and combining Planning with Marketing, elimination of the Director of Safety and placing Safety under Human Resources, and the elimination of the Application Developer, Material Supervisor, Customer Service Representative and one Dispatcher.

With the elimination of the Director positions and the combining of departments, it was determined that new positions would be required to provide expertise and support to the directors, and, by policy, new positions must be approved by the Board of Directors. In addition to the two new positions, three positions have been re-evaluated and are recommended for changes in Classification Level.

The second recommendation relates to the adjustment of the compa ratio (mid-range) of levels VI through IX. As per policy, Omnitrans is required to review the market and make adjustments accordingly every two years. The recent survey shows that Omnitrans is below market in all classification levels, but severely below market for classification levels VI through IX. Therefore, due to the current financial constraints, Omnitrans recommends adjusting the compa ratio by three percent for only those levels severely below market, levels VI through IX. By doing this, all levels will be equal and below market by four percent.

The combined net savings of the eliminated staff positions and the added or re-evaluated positions is \$508,770. This savings, less the adjustment of the compa ratio of \$85,048, results in an overall savings to the Fiscal Year 2015 budget of \$423,722.

With the combining of Planning and Marketing, Board Chair Wapner asked whether the Director of Marketing had Planning expertise or whether hers would be more of an administrative role, with technical expertise provided at the manager level.

CEO/General Manager Graham explained that either the Director of Planning or the Director of Marketing could be the lead for the combined department, and although the Director of Marketing does not have expertise in the area of Planning, the managers in Planning have in-depth planning experience and with good counsel, there should be no problem with the Director of Marketing taking the lead.

Committee Chair Graham asked whether any employee was being moved to a lower classification and whether their current salary is impacted.

Ms. Ewing explained that the employee's salary would be retained (red-circled) if moved to a lower classification; however with the reclassification of the Director of Safety and

Regulatory Compliance to a Manager, as the position is currently vacant there would be no need to red circle the salary.

In response to Committee Member Stanckiewicz' question on Omnitrans' philosophy as to where we pay employees within the range, Ms. Ewing explained that Omnitrans brings employees in at mid-point or below, unless a higher pay within the range is approved by the CEO/General Manager.

M/S (Gonzales/Stanckiewicz) to recommend to the Board of Directors, the adoption of revisions to Personnel Policy 402 – Salary Ranges, Management Confidential Classifications for non-represented employees.

1. The revisions under Classifications - Two (2) new positions, three (3) re-evaluated positions to be effective July 1, 2014. Elimination of seven (7) staff positions.
2. Under Salary Ranges - adjust the compa ratio of levels VI (6) thru IX (9) to 2014 market with a financial impact of \$85,048.00 for Fiscal Year 2015.

Motion was unanimous by Members present.

6. Recommend to Board of Directors, Adoption of Fiscal Year 2014-15 Annual Budget

Treasury Manager Maurice Mansion presented the highlights of the proposed budget for Fiscal Year 2015 and began first by announcing that Omnitrans has addressed the \$12.8M deficit in Fiscal Years 2015-2020 that resulted from the Comprehensive Operational Analysis approved by the Board of Directors in December 2013.

Omnitrans proposed budget is \$92,538,515, which consists of an Operating Budget of \$75,465,190 and a Capital Budget of \$17,073,325, exclusive of depreciation. The proposed budget is \$4M over the Fiscal Year 2014 budget, primarily due to the full year's operation of the sbX line, which will cost \$4.3M to operate.

Major cost categories in the budget remain frozen for Fiscal Year 2015. Based on the monies available, a 2.5% wage increase for the Amalgamated Transit Union Local #1704 and Teamsters Local #166, is included in the budget, as is an increase for Management/Confidential employees, which are based on the Personnel Policy Manual. Service levels will remain the same, with minor adjustments to unproductive service.

Employee Impact for FY15 includes: reduction of 8 Omnitrans positions (4 Management/Confidential and four represented positions), four departments combined into two (Planning joined with Marketing and Safety and Regulatory Compliance joined with Human Resources); reclassification of four positions (Director of Safety & Security to Manager, Materials Supervisor to Materials Manager, Customer Service Supervisor to Customer Service Manager and Community Outreach Specialist to Marketing Manager); and the addition of three additional positions (Paratransit Eligibility Technician moves from part-time to full-time, Systems Engineer, and Network Administrator. The two IT positions do not increase the budget as they are offset by cost savings within the IT

Department.) In addition, there will also be a reduction in staff of the sbX Integrated Project Management Office (IPMO) as the project winds down, although there is no impact to the operating budget as those positions are charged to the project.

Revenue Operating Budget: Projected to increase by \$3.9M, with \$1.2M projected from the sbX service, \$800,000 from the proposed fare increase in September 2015 and a \$1M increase of Local Transportation Funds from San Bernardino Associated Governments (SANBAG).

Operating Budget Expenses: The major variances in proposed expenditures include: an increase of \$2.7M in salary/benefits, an increase in Materials and Supplies of \$582,778 and an increase in Occupancy costs of \$452,324, both driven by the full year operation of the sbX line. There is also a decrease of \$698,082 in Casualty and Liability, which is related to better management of risk and reduction of the Incurred But Not Reported (IBNR) funding levels.

Capital Revenue Budget: Capital revenue is projected to increase \$4.2M year over year, with a \$1.7M in FTA Section 5339 Bus & Bus Facility Funding that can only be used to purchase buses or for stops and stations, and a \$2.75M increase in Prop 1B funding that will be used as the local match in Fiscal Year 2015.

Capital Budget Expenses: There is a reduction of nearly \$1M budgeted for Facilities as Omnitrans' will be spending old capital dollars throughout Fiscal Year 2015. The \$4.1M increase in Revenue Vehicles is due to Omnitrans' capital replacement schedule for the next six years that includes the purchase of 15 forty-foot and 15 cut-away vehicles each year.

Omnitrans addressed the \$12.8M deficit that was presented to the Board of Directors at the conclusion of the Comprehensive Operational Analysis in December 2013, by:

- Organizational Restructure – Elimination of eight positions and Management/Confidential employees paying portion of healthcare cost;
- Reduction of Incurred But Not Reported Funding Levels resulting in potential \$2M savings per year – This is the biggest driver in reducing the Agency's deficit; and
- Proposed Fare Increase – Although the COA proposed two fare increases, in Fiscal Years 2015 and 2019, Omnitrans is proposing an additional fare increase in Fiscal Year 2017. Amortized over six years, this will result in a projected revenue increase of \$3.3M.

To summarize, the budget is balanced, the operating deficit for 2015 has been addressed, and the majority of the increase in the budget is a result of bringing the sbX service on line for the entire year. In addition, the farebox recovery ratio has been met, with the Fixed Route farebox recovery ratio projected at 25.02% and the Access farebox recovery ratio projected at 13.51%.

Board Chair Wapner commented that the prior administration threw up their hands when Omnitrans was going through the COA with SANBAG and said it couldn't be done and expressed appreciation that, although not easy, the CEO/General Manager and staff came together to make the necessary adjustments to get it done.

M/S (Gonzales/Roberts) to recommend to the Board of Directors adoption of Omnitrans' Fiscal Year 2014-15 Annual Budget. Motion was unanimous by Members present.

F. REMARKS AND ANNOUNCEMENTS

There were no remarks or announcements.

G. ADJOURNMENT

The Administrative & Finance Committee meeting adjourned at 8:50 a.m. The next Administrative & Finance Committee Meeting is scheduled Thursday, May 15, 2014, at 8:00 a.m., with location posted on the Omnitrans website and at Omnitrans' San Bernardino Metro Facility.

Prepared by:

Vicki Dennett, Assistant to CEO/General Manager

ITEM # E2

DATE: May 15, 2014

TO: Committee Chair Ed Graham and
Members of the Administrative and Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Donald Walker, Director of Finance

**SUBJECT: OMNITRANS' DIRECTOR OF FINANCE QUARTERLY REPORT –
FORWARD FUEL PURCHASES THROUGH MAY 2014**

FORM MOTION

Receive and file Director of Finance's report on forward fuel purchases for May 2014. This program was implemented on May 6, 2009, to increase the predictability of Omnitrans costs and reduce operational uncertainty due to dramatic fuel price increases in the open market.

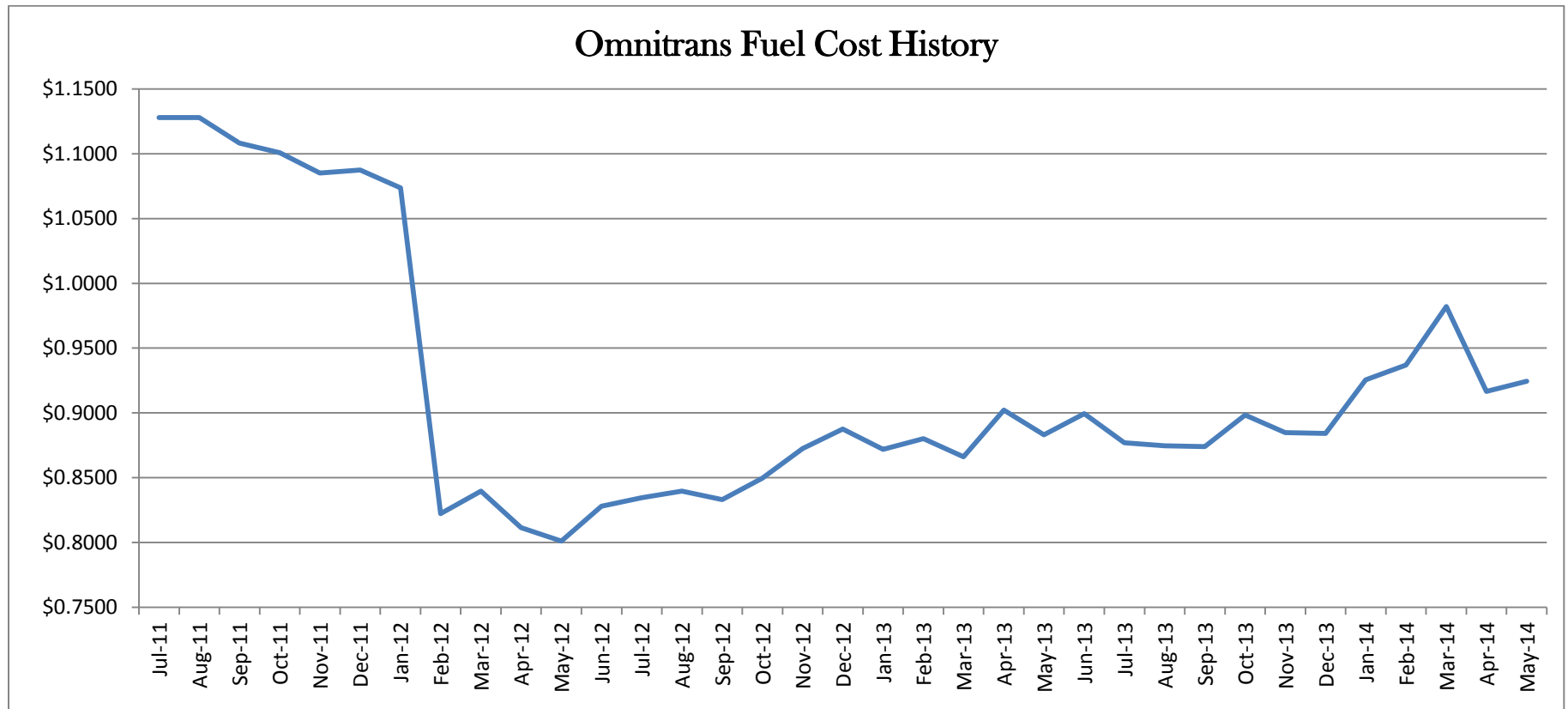
BACKGROUND

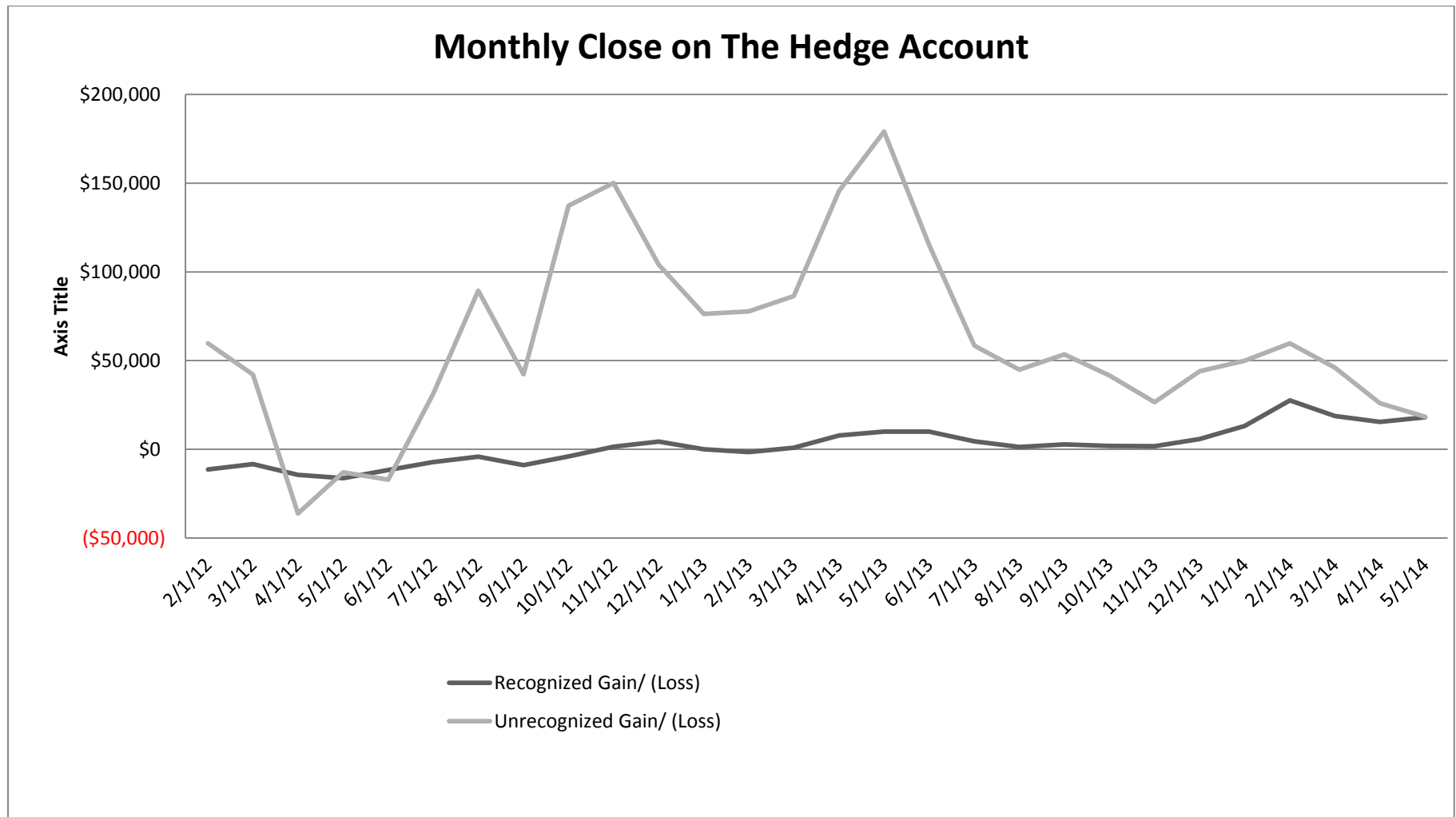
This report is submitted in order to comply with the requirements of the Omnitrans Forward Fuel Purchase Policy and Procedure. The Board of Directors authorized staff to hedge up to 150,000 gallons per month of CNG on the NYMEX exchange through Morgan Stanley. The current hedge fixes the price of approximately 45% of the Agency's natural gas through June 2014. There is only one month remaining on this hedging program.

The May 2014 contract closed almost \$0.12 above the hedge price. The Agency will record a profit on our futures position for the month of May and that gain will offset a portion of the fuel costs that will be reflected in the Agency's Expense Summary for April 2014.

The net price that will be used for Omnitrans' May 2014 fuel purchase is \$0.9246 per gallon. This includes CNG at the So Cal Index price, the gain on the hedge position, liquefaction, delivery, and sales tax. (Note: We do not hedge the index differential. The gain on the hedge is based on the Henry Hub index. Clean Energy prices our deliveries off the SoCal index. In May, the SoCal Index settled slightly below Henry Hub.) This price is after recognition of the monthly gain on the hedge position in the amount of \$18,075.

Omnitrans will recognize a loss in the CNG account of approximately \$1,547 in the month of May 2014. Omnitrans has recognized a total gain of \$58,318 on settled hedge positions; February 2012 through May 2014. The Agency has an unrecognized gain of \$18,325 on the remaining month of June 2014.





ITEM # E3

DATE: May 15, 2014

TO: Committee Chair Ed Graham and
Members of the Administrative & Finance Committee

THROUGH: P. Scott Graham, CEO/General Manager

FROM: Andres Ramirez, sbX Construction Manager

**SUBJECT: CONSTRUCTION PROGRESS REPORT NO. 28 THROUGH
APRIL 25, 2014 - sbX E STREET CORRIDOR BRT PROJECT**

FORM MOTION

Receive and recommend to the Board of Directors for receipt and file Construction Progress Report No. 28 for the sbX E Street Corridor BRT Project through April 25, 2014.

BACKGROUND

This is Construction Progress Report No. 28 for the sbX E Street Corridor Project.

CONCLUSION

Receive and recommend to the Board of Directors for receipt and file Construction Progress Report No.28 for the sbX E Street Corridor BRT Project through April 25, 2014.

PSG:AR

Attachment



sbX E Street Corridor Bus Rapid Transit (BRT) Project

Construction Progress Report No. 28

As of April 25, 2014

Submitted By:

JACOBS

Contractor: SBX Corridor - Griffith/Comet
VMF – USS Cal Builders

Contractor Contract No.: IPMO11-5

Project Manager: Roger Hatton, P.E.

Resident Engineer Karim Varshochi, P.E.
(Corridor)
Anni Larkins, P.E.
(VMF)

Omnitrans Construction
Manager: Andres Ramirez
Construction Manager



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I. PROJECT STATUS SUMMARY

A. Project Description – sbX Corridor

The sbX E Street Corridor BRT Project is a 15.7-mile-long transit improvement project that will connect the northern portion of the City of San Bernardino with the City of Loma Linda. Over the past four years, the sbX E Street Corridor Bus Rapid Transit (BRT) Project has evolved as the highest priority corridor identified in the System-Wide Transit Corridor Plan for the San Bernardino Valley.

The Refined LPA includes:

- 15.7 mile corridor
- 5.4 miles of exclusive center-running BRT lanes
- 10.3 miles of mixed flow BRT operation
- 16 BRT station locations, 6 center stations and 10 curb stations
- 23 station boarding structures
- 4 park-and-ride facilities with a total of 610 parking spaces
- Transit signal priority (TSP) applications at select key intersections

B. Summary Status Update (Accomplishments) – sbX Corridor

- SBX Corridor Completion Celebration held on April 22, 2014.
- Punch List items 95% completed.
- Continued completion of remaining change order work.
- Completed Level 1 testing/Certification.
- Continued Level 2-4 testing/certification.

C. May Work – sbX Corridor

- Complete remaining 5% of Punch List corrections.
- Complete the remaining Level 2-4 testing/certification.
- Complete final Punch List walk.
- Complete the As-Built turnover.
- Complete turnover of stations and corridor.
- Complete project document turnover.

D. Project Description – Vehicle Maintenance Facility (VMF)

The Omnitrans' Vehicle Maintenance Facility is a 4.4-acre facility maintaining and servicing the Omnitrans' bus fleet, comprised of over 160 buses. Modifications to Omnitrans' facility include the demolition of a bus washing station, removal of abandoned underground fuel tanks and new construction of a bus washing system, a new Genset building, a three-lane CNG fueling station, and re-

configuring the bus parking area. Modifications to the maintenance building made in order to accommodate Omnitrans' 60-foot articulated bus fleet.

E. Summary Status Update (Accomplishments) – Vehicle Maintenance Facility (VMF)

- Completed installation of the booster pump enclosure; the new booster pump system has been successfully testing and will be operational by April 25, 2014.
- Completed concrete installation for the stem walls and slab-on-grade inside Maintenance Building A on April 10, 2014.
- Received deliveries of bus lift equipment and started installation in Maintenance Building A starting April 21, 2014.
- Completed over-excavation and backfill work of the demolished Building B by April 4, 2014.
- Completed the over-excavation of new Building B, and the excavated footings and inspection pit. Formwork and reinforcing steel placement to start during the week of April 28, 2014.
- Completed stucco at the exterior of the new battery room and started shaft installation.

F. May Work – Vehicle Maintenance Facility (VMF)

- Complete installation of the new bus lifts in Maintenance Building A and start cutting the roof penetrations.
- Lace concrete for the footings and inspection pits at the new Bus Wash Facility and start underground utility work for the new building.
- Excavation for the new reclamation pits and sand/oil separator.
- Construction on the new buffer tank pad, relocation of the buffer tanks, and start of the grading and excavation for the new Fuel Facility (Building C).
- Complete the water point of connection at the compressor room and install the second compressor.
- Continue work at the new battery room for completion by end of May/early June 2014.

II. PROJECT SCHEDULE

The CM team and Contractors are using the latest scheduling tools (Primavera V. P6), available to manage the project schedule.

Due to the actual field conditions (the VMF), many construction activities needed re-sequencing, resulting in several revisions in the baseline schedules submitted. As a proactive approach, the CM team has created an internal schedule as a guiding tool used to monitor and manage the construction progress.

Summary of Project Schedule – Vehicle Maintenance Facility (VMF)

The Contractor submitted its December 2013 Monthly Schedule Update (UP05), with a data date of December 15, 2013, on March 20, 2014. The schedule update shows the project behind schedule, with approximately (+/-) 257-calendar days of negative float projecting a Substantial and Final Completion dates of August 23, 2014 and October 22, 2014, respectively. The resubmittal was accepted “For Record Purposes Only” on April 3, 2014.

The December 2013 monthly schedule update does not include the contaminated soil shutdown that occurred from January 31, 2014 through March 19, 2014. This will impact the project and, based on internal assessments, the project is currently forecast to be completed December 2014. The Agency and Contractor met at the upper management level on April 16, 2014 and have agreed to collectively actualize the project schedule through May 2014 by end of May 2014, including having all schedule updates submitted, reviewed and approved. This will allow the Agency and Contractor to assess impacts to date and manage the remaining work as a partnering and collective effort.

The Contractor has not yet submitted its response to the Agency findings on Time Impact Evaluation (TIE No. 1) submitted on October 28, 2013. The Agency issued a letter on January 29, 2014 granting an extension of 108-calendar days: 55-CD deemed concurrent (Excusable & Non-Compensable) and 53-CD deemed (Excusable & Compensable), resulting in revised Substantial and Final Completion dates of 3/27/2013 and 5/26/14, respectively. A change order to be issued for this assessment.

It should be noted that, subsequent to the Agency’s issuance of the TIE No. 1 findings, the Contractor submitted its notification of suspension of work on January 31, 2014, and did not work much in February 2014. Although the contaminated soil issue was discovered on January 31, 2014, this only affected the earthwork activities, but had no impact to the work that remained outstanding at the compressor room, the new battery room and in maintenance Building A. The two change orders affecting work in Building A (COR 86 Utility Trenches and COR 87 Changes to the Tire Equipment) were resolved and work started on March 6, 2014, in advance of an executed change order. However, any impacts (if any) have yet to be submitted, or substantiated, by the Contractor by submission of a TIE. Work is progressing and unresolved items are continuing to be elevated for resolution through the Dispute Resolution Ladder.

III. REQUESTS FOR INFORMATION (RFIs), SUBMITTALS, AND NON-CONFORMANCE REPORTS (NCRs)

A. sbX Corridor

To date, the CM team has met the required timelines and no delay has come about as a result of submittal and RFI responses.

Total RFIs – 1011
Total Open – 9

Total Submittals – 883
Total Open – 5

Total NCRs - 26
Total Open - 2

B. Vehicle Maintenance Facility (VMF)

To date, the CM team has met the required timelines and no delay has come about as a result of submittal and RFI responses.

Total RFIs – 189
Total Open – 5

Total Submittals – 332
Total Open – 6

Total NCRs – 13
Total Open – 2

IV. SAFETY

The project team considers safety to be the utmost priority. As such, the entire project team works towards a “no-lost time” goal on a daily basis.

SbX Corridor - As of April 25, 2013 there are 421,008 “no-lost time” hours.
VMF - As of April 11, 2014 there are 19,970 “no-lost time” hours.

V. PROJECT BUDGET AND COST

TOTAL PROGRAM BUDGET
BUDGET AS OF MARCH 31, 2014

Approved Budget	\$191,706,000
Cost to Date	\$155,170,380
Estimate to Complete	\$ 32,877,085
Estimate at Completion	\$188,047,465

SBX CORRIDOR PROJECT COSTS - AS OF MARCH 31, 2014

	CURRENT AUTHORIZED	CURRENT INVOICES PAID	REMAINING CONTRACT BALANCE
JACOBS	\$11,852,647	\$9,822,796	\$2,029,851
PARSONS	\$18,097,876	\$16,842,576	\$1,255,300
GRIFFITH/COMET	\$83,782,780	\$74,738,415	\$9,044,365
TOTAL	\$113,733,303	\$101,403,787	\$12,329,516

VMF CORRIDOR PROJECT COSTS - AS OF MARCH 31, 2014

	CURRENT AUTHORIZED	CURRENT INVOICES PAID	REMAINING CONTRACT BALANCE
STV Inc.	\$1,418,132	\$1,274,272	\$143,860
USS Cal Builders	\$11,685,598	\$5,399,712	\$6,285,886
Total	\$13,103,730	\$6,673,984	\$6,429,746

SBX CORRIDOR CONTRACT TIME

Activity	Days	Date
Notice to Proceed		11/21/11
Calendar Days per Original Contract	730	
Original Completion Date		12/21/13
Calendar Days Completed as of April 25, 2014	855	
CCO Time Extension to Date	0	
Required Completion Days/Date as of April 25, 2014	-125	12/21/13
Forecasted Completion Date as of April 25, 2014		04/28/14
Percent Time Elapsed	117%	

VMF CONTRACT TIME

Activity	Days	Date
Notice to Proceed		12/10/12
Calendar Days per Original Contract	425	
Original Completion Date		02/08/14
Calendar Days Completed as of April 25, 2014	501	
CCO Time Extension to Date	0	
Required Completion Days/Date as of April 25, 2014	-76	02/08/14
Forecasted Revenue Start Date as April 25, 2014		04/28/14
Percent Time Elapsed	118%	

*** CONSTRUCTION COMPLETION DATE WILL BE AVAILABLE UPON COMPLETION OF THE SCHEDULE UPDATE.**

CHANGE ORDERS**SBX CORRIDOR CONTRACT CHANGE ORDERS - As of April 25, 2014**

Change Order Status	Amount Approved
Approved Change Orders	\$18,962,326.34
Pending Change Orders	\$1,958,845.20
Potential Change Orders	\$666,358.36
Total	\$21,587,529.90

VMF CONTRACT CHANGE ORDERS - As of April 25, 2014

Change Order Status	Amount
Approved Change Orders	\$1,436,548.60
Pending Change Orders	\$90,620.22
Potential Change Orders	\$1,480,478.50
Total	\$3,007,647.32

Note: Currently, pricing for Potential Change Orders are estimated based on Rough Order of Magnitude pending designer plans or final submittal of pricing by the Contractor.

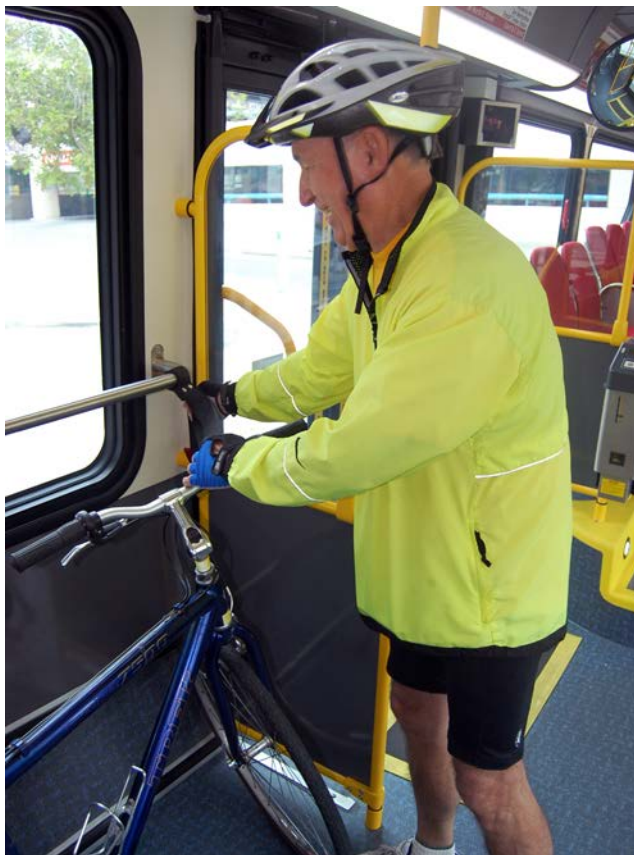
Upon the approval of the final to date schedule, an analysis will be completed to determine the effect of the change orders on the scheduled completion date.

VI. Project Photographs

SBX CORRIDOR PROGRESS PHOTOS



1. Construction Completion Celebration at E/Court Street Station.



2. Former COSB Mayor Pat Morris secures his bicycle on first sbX ride.



3. Using WiFi on sbX coach.



4. Enjoying the Construction Completion Celebration at Court Street Square.

VMF PROGRESS PHOTOS

1. Installing Embed Angles for the New Bus Lifts in Building A (Maintenance Facility).



2. Excavating for Building Footings at New Bus Wash Facility (Building B).

IPMO/sbX Project Cost Report
Period Ended 3/31/14

Description	Current Budget	Expenditures \$	%	Remaining Budget	Estimate to Complete	Estimate at Completion	Budget Forecast Variance
BRT Construction	84,637,000	74,854,816	88.4%	9,782,184	12,559,653	87,414,469	(2,777,469)
Vehicle Maintenance Facility (VMF) Construction	8,131,000	5,399,712		2,731,288	10,456,960	15,856,672	(7,725,672)
Vehicles - Design & Manufacturing	16,628,000	14,890,755	89.6%	1,737,245	1,274,960	16,165,715	462,285
ROW Acquisition Services	10,357,000	10,936,973	105.6%	(579,973)	952,997	11,889,970	(1,532,970)
3rd Party Utilities Design & Relocation	1,003,000	1,067,153	106.4%	(64,153)	38,964	1,106,117	(103,117)
BRT Design	17,849,400	16,842,576	94.4%	1,006,824	8,506	16,851,082	998,318
VMF Design	1,007,600	1,288,672	127.9%	(281,072)	407,260	1,695,932	(688,332)
Other Professional, Technical & Management Services	34,020,000	29,889,723	87.9%	4,130,277	7,177,785	37,067,508	(3,047,508)
SUB-TOTAL	173,633,000	155,170,380		18,462,620	32,877,085	188,047,465	(14,414,465)
Unallocated Contingency	18,073,000	-		18,073,000	3,658,535	3,658,535	14,414,465
TOTAL	191,706,000	155,170,380	80.9%	36,535,620	36,535,620	191,706,000	-

**IPMO/sbX Project
Through 3/31/14**

Standard Cost Category (SCC)	Description	Approved Current Budget	Expenditures \$ %	Remaining Budget	Estimate to Complete	Estimate at Completion	Budget Forecast Variance
10	GUIDEWAY & TRACK ELEMENTS	19,725,000	16,981,370 86.1%	\$ 2,743,630	\$ 2,811,054	\$ 19,792,424	\$ (67,424)
10.02	Guideway: At-grade semi-exclusive (allows cross-traffic)	\$ 18,353,000	15,054,490 82.0%	\$ 3,298,510	\$ 2,474,461	\$ 17,528,951	\$ 824,049
10.03	Guideway: At-grade in mixed traffic	\$ 1,372,000	1,926,880 140.4%	\$ (554,880)	\$ 336,593	\$ 2,263,473	\$ (891,473)
20	STATIONS, STOPS, TERMINALS, INTERMODAL	14,917,000	13,235,653 88.7%	\$ 1,681,347	\$ 1,140,484	\$ 14,376,137	\$ 540,863
20.01	At-grade station, stop, shelter, mall, terminal, platform	14,917,000	13,235,653 88.7%	\$ 1,681,347	\$ 1,140,484	\$ 14,376,137	\$ -
30	SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	\$ 8,131,000	5,399,712 66.4%	\$ 2,731,288	\$ 10,456,960	\$ 15,856,672	\$ (7,725,672)
30.02	Light Maintenance Facility	\$ 4,265,000	4,195,576 98.4%	\$ 69,424	\$ 8,014,061	\$ 12,209,637	\$ (7,944,637)
30.05	Yard and Yard Track	\$ 3,866,000	1,204,136 0.0%	\$ 2,661,864	\$ 2,442,899	\$ 3,647,035	\$ 218,965
40	SITEWORK & SPECIAL CONDITIONS	34,271,000	25,837,576 75.4%	\$ 8,433,424	\$ 4,699,946	\$ 30,537,522	\$ 3,733,478
40.01	Demolition, Clearing, Earthwork	\$ 4,741,000	338,921 7.1%	\$ 4,402,079	\$ (248,911)	\$ 90,010	\$ 4,650,990
40.02	Site Utilities, Utility Relocation	\$ 4,993,000	9,449,305 189.3%	\$ (4,456,305)	\$ 1,682,868	\$ 11,132,173	\$ (6,139,173)
40.05	Site structures including retaining walls, sound walls	\$ 90,000	386,621 429.6%	\$ (296,621)	\$ 257,245	\$ 643,866	\$ (553,866)
40.06	Pedestrian / bike access and accommodation, landscaping	\$ 6,925,000	3,436,770 49.6%	\$ 3,488,230	\$ 1,861,643	\$ 5,298,413	\$ 1,626,587
40.07	Automobile, bus, van accessways including roads, parking lots	\$ 3,601,000	4,117,695 114.3%	\$ (516,695)	\$ 148,012	\$ 4,265,707	\$ (664,707)
40.08	Temporary Facilities and other indirect costs during construction	\$ 13,921,000	8,108,264 58.2%	\$ 5,812,736	\$ 999,089	\$ 9,107,353	\$ 4,813,647
50	SYSTEMS	\$ 16,727,000	19,867,370 118.8%	\$ (3,140,370)	\$ 618,994	\$ 20,486,364	\$ (3,759,364)
50.02	Traffic signals and crossing protection	\$ 10,810,000	6,574,649 60.8%	\$ 4,235,351	\$ (116,552)	\$ 6,458,097	\$ 4,351,903
50.05	Communications	\$ 4,210,000	8,318,796 197.6%	\$ (4,108,796)	\$ 109,471	\$ 8,428,267	\$ (4,218,267)
50.06	Fare collection system and equipment	\$ 1,707,000	4,973,925 291.4%	\$ (3,266,925)	\$ 626,075	\$ 5,600,000	\$ (3,893,000)
	Pending Change Orders				\$ 3,916,283	\$ 3,916,283	\$ (3,916,283)
	Risk				\$ (588,144)	\$ (588,144)	\$ 588,144
	Construction Subtotal (10-50)	93,771,000	81,321,681 86.7%	\$ 12,449,319	\$ 23,055,577	\$ 104,377,258	\$ (10,606,258)
60	ROW, LAND, EXISTING IMPROVEMENTS	\$ 6,532,000	\$ 6,006,388 92.0%	\$ 525,612	\$ 944,447	\$ 6,950,835	\$ (418,835)
60.01	Purchase or lease of real estate	\$ 6,327,000	5,841,458 92.3%	\$ 485,542	\$ 904,377	\$ 6,745,835	\$ (418,835)
60.02	Relocation of existing households and businesses	\$ 205,000	164,930 80.5%	\$ 40,070	\$ 40,070	\$ 205,000	\$ -
70	VEHICLES	\$ 16,628,000	\$ 14,890,755 89.6%	\$ 1,737,245	\$ 1,274,960	\$ 16,165,715	\$ 462,285
70.04	Bus	\$ 15,448,000	14,858,641 96.2%	\$ 589,359	\$ 400,026	\$ 15,258,667	\$ 189,333
70.06	Non-revenue vehicles	\$ 250,000	- 0.0%	\$ 250,000	\$ -	\$ -	\$ 250,000
70.07	Spare parts	\$ 930,000	32,114 3.5%	\$ 897,886	\$ 874,934	\$ 907,048	\$ 22,952
80	PROFESSIONAL SERVICES	56,702,000	52,951,556 93.4%	\$ 3,750,444	\$ 7,602,101	\$ 60,553,657	\$ (3,851,657)
80.01	Preliminary Engineering	\$ 12,921,000	12,876,525 99.7%	\$ 44,475	\$ 17,502	\$ 12,894,027	\$ 26,973
80.02	Final Design	\$ 7,261,000	7,036,248 96.9%	\$ 224,752	\$ 405,874	\$ 7,442,122	\$ (181,122)
80.03	Project Management for Design and Construction	\$ 15,997,000	11,701,267 73.1%	\$ 4,295,733	\$ 2,750,036	\$ 14,451,303	\$ 1,545,697
80.04	Construction Administration & Management	\$ 6,632,000	9,822,796 148.1%	\$ (3,190,796)	\$ 3,029,851	\$ 12,852,647	\$ (6,220,647)
80.05	Professional Liability and other Non-Construction Insurance	\$ 1,112,000	- 0.0%	\$ 1,112,000	\$ -	\$ -	\$ 1,112,000
80.06	Legal; Permits; Review Fees by other agencies, cities, etc.	\$ 10,596,000	11,514,720 108.7%	\$ (918,720)	\$ 673,838	\$ 12,188,558	\$ (1,592,558)
80.07	Surveys, Testing, Investigation, Inspection	\$ 1,463,000	- 0.0%	\$ 1,463,000	\$ 25,000	\$ 25,000	\$ 1,438,000
80.08	Start up	\$ 720,000	- 0.0%	\$ 720,000	\$ 700,000	\$ 700,000	\$ 20,000
	Subtotal (10-80)	\$ 173,633,000	\$ 155,170,380 89.4%	\$ 18,462,620	\$ 32,877,085	\$ 188,047,465	\$ (14,414,465)
90	UNALLOCATED CONTINGENCY	18,073,000	- 0.0%	\$ 18,073,000	\$ 3,658,535	\$ 3,658,535	\$ 14,414,465
	Subtotal (10-90)	191,706,000	155,170,380 80.9%	\$ 36,535,620	\$ 36,535,620	\$ 191,706,000	\$ -
100	FINANCE CHARGES	-	-	\$ -	\$ -	\$ -	\$ -
	TOTAL PROJECT COST (10-100)	191,706,000	155,170,380 80.9%	\$ 36,535,620	\$ 36,535,620	\$ 191,706,000	\$ -