

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: July 19-20, 2006

Reference No.: 2.1b.(11)
Information Item

From: CINDY McKIM
Chief Financial Officer

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Subject: **STIP AMENDMENT 06S-013**

SUMMARY:

The Los Angeles County Metropolitan Transportation Authority (Metro) proposes to program \$100,000,000 in Public Transportation Account (PTA) funds from Regional Improvement Program (RIP) shares to the new Metro Light Rail Vehicle Acquisition project (PPNO 3896) in FY 2006-07.

BACKGROUND:

This request for programming Public Transportation Account (PTA) funds to acquire 34 new P2550 Light Rail Vehicles (LRVs) will be executed through an option to an existing contract with AnsaldoBreda. Metro plans to exercise this 34-car purchase option in December 2006 and will be spending the requested PTA funds within 36 months after exercising the contract option. A Project Study Report (PSR) or equivalent can be provided upon request.

Metro's LRV acquisition is a time-critical project. The new LRVs will be used to meet service demand projections through 2011 and to improve system-wide flexibility and reliability. The new LRVs will be procured at an estimated cost of \$2.8 million per vehicle; however, the option is subject to final price negotiation and will expire if not executed by April 2007. The base contract to design and build 50 light rail vehicles, with two 50-car options, was awarded to AnsaldoBreda at the end of fiscal year 2003.

Metro operates three light rail lines: the 21.4-mile Metro Blue Line between Long Beach and Los Angeles; the 19.6-mile Metro Green Line between El Segundo and Norwalk; and the 13.6-mile Metro Gold Line between Los Angeles and Pasadena. By year 2010, two additional light rail lines are planned for operation: the 6-mile Metro Gold Line Eastside extension; and the 8.6-mile Mid-City/Exposition Light Rail line. Ridership projections, vehicle life cycles, fleet mix, and new technologies are all factors that have been considered in evaluating the need for additional vehicles.

The Metro LRV fleet currently consists of 121 cars. Of the 121 LRVs, 69 were built by Sumitomo and delivered between 1989 and 1995. Those vehicles are 11 to 17 years old and are affected by corrosion and mechanical defects and require scheduled maintenance at 5,000-mile intervals. Extensive mid-life maintenance on these LRVs is approaching and evaluations will be made to determine the cost effectiveness of overhauling the vehicles or retiring them. Although Metro’s estimate for mid-life overhaul of these vehicles is not yet complete, the estimate is currently at \$2 million per vehicle. However, even after the overhaul, Metro still would have a 17-year-old vehicle that is not compatible on all light rail lines and does not facilitate a system-wide goal toward fleet standardization.

The new P2550 LRVs, which are currently being designed and built by AnsaldoBreda, use the latest technology in vehicle operations and streamlined maintenance requirements. These new light rail cars only require scheduled maintenance at 10,000-mile intervals, thereby potentially reducing the preventative maintenance costs for the fleet by one-half. By replacing some of the older fleet, Metro will realize significant savings in operating efficiencies and vehicle maintenance. Additionally, these LRVs are operationally compatible with all existing Metro light rail lines. Given the current and future level of patronage for the agency’s light rail lines, this approach provides the necessary flexibility to service all light rail lines as the rail systems requirements continue to expand.

RESOLUTION:

Resolved, that the California Transportation Commission revise the 2006 State Transportation Improvement Program at the end of the 30-day notice period, as follows:

Adds:

County	District	PPNO	EA	Element	Const. Year	PM Back	PM Ahead	Route/Corridor					
Los Angeles	7	3896	--	MT	2010-11	--	--	--					
Implementing Agency: (by component)		PA&ED				PS&E							
		R/W				CON							
RTPA/CTC:		Los Angeles County Metropolitan Transportation Authority (Metro)											
Project Title:		LACMTA (Metro) Acquisition Light Rail Cars											
Location		Los Angeles County											
Description:		Acquisition of 34 Light Rail Vehicles											
(DOLLARS IN THOUSANDS)													
FUND	TOTAL	Project Totals by Fiscal Year					Project Totals by Component						
		Prior	06/07	07/08	08/09	09/10	10/11	R/W	CON	PA&ED	PS&E	R/W Supp	CON Supp
RIP - Public Transportation Account (PTA)													
Existing	0		0					0					
Change	100,000		100,000					100,000					
Proposed	100,000		100,000					100,000					
LACMTA Prop. A													
Existing	0		0					0					
Change	13,300		13,300					13,000					
Proposed	13,300		13,300					13,000					
Total													
Existing	0		0					0					
Change	113,300		113,300					113,000					
Proposed	113,300		113,300					113,000					