



**FTA QUARTERLY REVIEW  
BRIEFING BOOK**

**February 9, 1999**

***Submitted By:***

***Los Angeles County Metropolitan Transportation Authority***

***One Gateway Plaza***

***Los Angeles, California 90012***

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**AGENDA**  
**FTA QUARTERLY REVIEW MEETING**  
Los Angeles County Metropolitan Transportation Authority  
Tuesday, February 9, 1999 - 10:00 a.m.  
Gateway Conference Room - 3rd Floor

**PRESENTER**

**I. OVERVIEW**

Julian Burke

- A. Organizational Issues
- B. Legislative Issues
- C. Questions and Answers

**II. METRO CONSTRUCTION REPORTS**

(Presentations should emphasize issues and efforts to resolve them with questions and answers to follow)

- A. Recent Events
- B. Metro Red Line Segment 2
- C. Metro Red Line Segment 3
  - 1. North Hollywood
  - 2. East Side
- D. Segment 1 Thin Tunnel Repair Work Completion Schedule

Charles Stark  
Alfonso Rodriguez

Dennis Mori  
Charles Stark  
Henry Fuks

**III. OPEN ACTION ITEMS**

Jeff Christiansen

- A. FTA (Reference FTA letter dated (January 20, 1999))
- B. PMOC (Reference (November 1998) PMOC Monthly Report)
- C. Project Management Plan (PMP)

**IV. RESTRUCTURING PLAN QUARTERLY REPORTS**

Allan Lipsky

(Reference FTA letter dated July 2, 1998 - Restructuring Plan Approval)

- A. Rail Projects
  - 1. Metro Red Line Segment 2
  - 2. Metro Red Line Segment 3 North Hollywood
- B. Bus Operations
  - 1. Consent Decree Compliance
  - 2. Accelerated Bus Procurement Plan
- C. Reforecasted Plan and MTA Budget
  - 1. RTAA Forecasting Model
  - 2. Capital and Operating Annual Budget
- D. Planning
  - 1. Corridor Studies of RTAA
- E. Special Items
  - 1. Business Action Plans - Workout Team Progress

**V. SCHEDULE AND LOCATION OF NEXT MEETING**

LACMTA MANAGEMENT  
ORGANIZATION



February 1, 1999

Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

**TO: LESLIE ROGERS - FTA REGIONAL ADMINISTRATOR**

**FROM: HABIB F. BALIAN** 

**SUBJECT: ORGANIZATIONAL CHANGES**

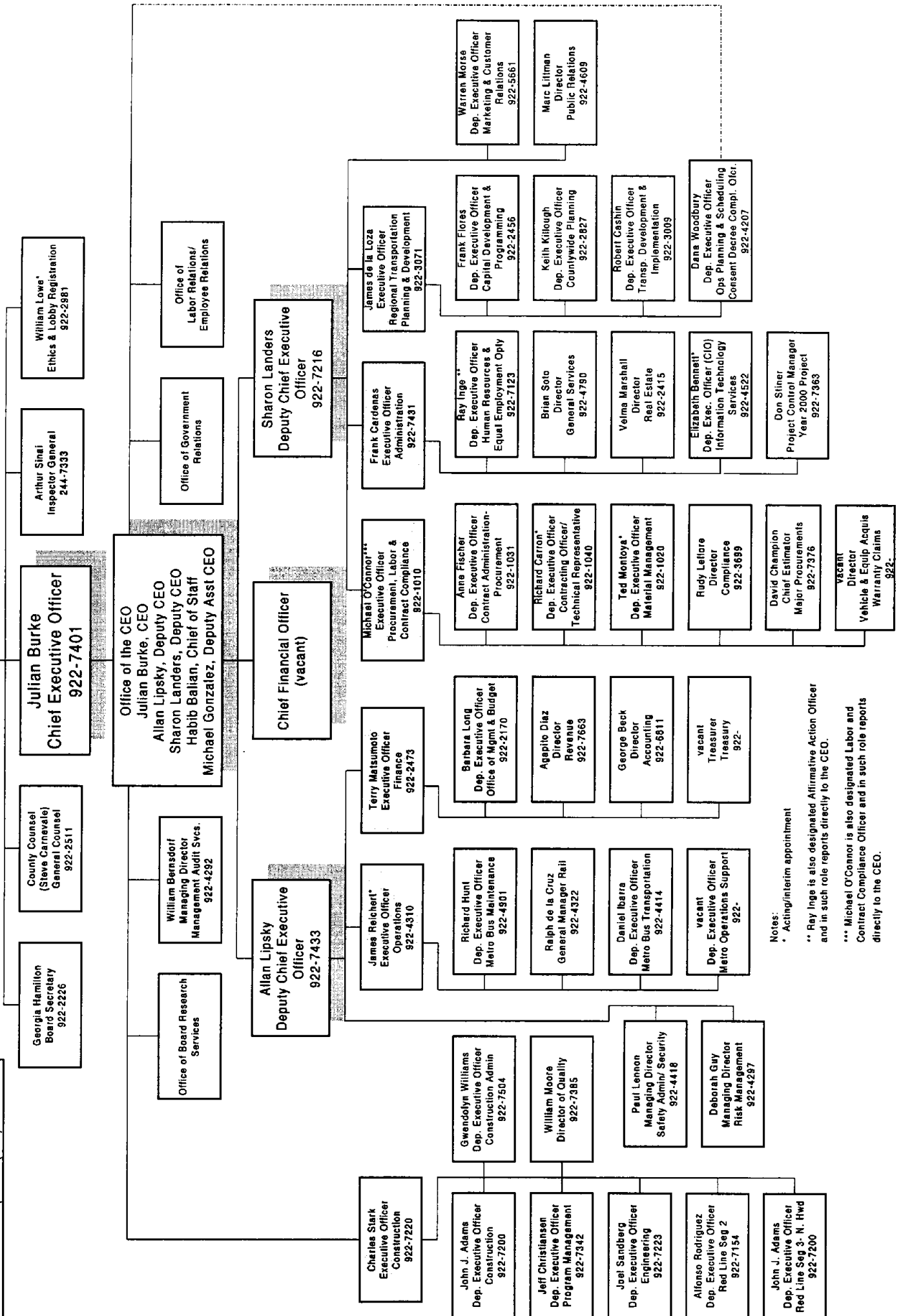
The attached organizational chart *does not* reflect the most current changes and additions to the structure of the MTA; an updated version will be provided upon its completion. In the interim, this memo is meant to identify those noteworthy changes.

As previously announced, Allan G. Lipsky has been named Chief Operating Officer, responsible for managing day-to-day operations (the second Deputy CEO position has been eliminated.) Also, I am pleased to announce Richard Brumbaugh as the Chief Financial Officer. In addition, Ray Inge has been named Executive Officer - Human Resources and will now oversee the departments of Equal Opportunity and Employee Relations. Also note, Labor Relations has been separated from Employee Relations and is charged with negotiating responsibilities with our collective bargaining units.

Attachment



**MTA**  
**Board of Directors**



Notes:  
 \* Acting/interim appointment  
 \*\* Ray Inge is also designated Affirmative Action Officer  
 and in such role reports directly to the CEO.  
 \*\*\* Michael O'Connor is also designated Labor and  
 Contract Compliance Officer and in such role reports  
 directly to the CEO.

# **RICHARD D. BRUMBAUGH**

## **LACMTA Chief Financial Officer**

Richard D. Brumbaugh was appointed Chief Financial Officer in December 1998. As Chief Financial Officer, he is responsible for the Authority's financial operations, including Budget, Revenue, Treasury, Accounting, and Risk Management. Mr. Brumbaugh has more than twenty-five (25) years of experience in financial management. Before joining the Authority, Mr. Brumbaugh was Vice President, Finance and Chief Financial Officer of Santa Anita Operating Company.

During his twenty-four (24) years with the company, he also served as Controller, Assistant Controller and Financial Analyst. From 1979 to 1988, Mr. Brumbaugh also taught a course in Corporate Finance as an Assistant Professor of Finance at California State University, Los Angeles. Mr. Brumbaugh earned a Bachelor of Science Degree and Master of Science Degree in Business Administration, Finance from California State University, Northridge.

1999-00 LEGISLATIVE  
PROGRAM





Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

EXECUTIVE MANAGEMENT COMMITTEE  
Adopted at the January 28, 1999 Board Meeting

**SUBJECT: CONSIDER GOALS AND ACTIVITIES CONTAINED IN THE  
1999-2000 LEGISLATIVE PROGRAM**

**ACTION: ADOPT THE 1999-2000 LEGISLATIVE PROGRAM**

**RECOMMENDATION**

Staff recommends the MTA Board of Directors adopt the proposed 1999-2000 Legislative Program.

**FINANCIAL IMPACT**

Many of the proposed legislative initiatives may provide additional funding for countywide transportation programs and projects. In addition, some proposals may streamline rules and regulations at the MTA to facilitate the timely, cost-effective delivery of transportation services.

**BACKGROUND**

Each year staff prepares a legislative program for adoption by the MTA Board of Directors. The program is developed with input from MTA technical staff and MTA contract lobbyists. This report contains the proposed 1999-2000 MTA Legislative Program. The program will serve as a guide for pursuing the authority's legislative proposals and strategies.

The role of the MTA Legislative Program is to fulfill the agency's goals and objectives by securing necessary legislative authority, program funding and regulatory actions needed at the regional, local, state and federal levels. To achieve these goals, Government Relations staff will implement a legislative strategy of consensus building and coordination with transportation interests throughout Los Angeles County, the State of California and at the federal level.

In 1999, the MTA will face several legislative challenges. At the federal level Congress and the Administration will consider the MTA's FY 2000 appropriations and obtain the maximum level of funding through programs in the Transportation Equity Act of the 21<sup>st</sup> Century (TEA-21).

On the state level, there may be additional "clean-up" legislation for SB 45 (Kopp/1997), the STIP reform bill. Legislators may continue to introduce measures relating to the MTA board structure and authority. The proposed program also identifies several agency initiatives to secure additional funding and streamline processes.

Regionally, the Southern California Association of Governments (SCAG) has begun updating and revising the Regional Transportation Plan (RTP). The MTA regularly interacts with other transportation commissions throughout the region to coordinate services and regional transportation improvements. Regular coordination with these agencies allows for coordinated policy development at the local, state and federal levels.

Locally, the MTA will continue to work to maintain and enhance support with local governments in coordination with the goals contained within the Federal and State Legislative Program. We will also continue to work with the 88 cities throughout Los Angeles County on many crucial issues and to provide information and develop support for transportation programs and services.

#### **ATTACHMENTS**

Attachment A: 1999-2000 Legislative Program

Prepared by: Claudette A. Moody  
Manager, State Affairs

Audrey Noda  
Manager, Federal Affairs

Wilbur Babb  
Administrator, Government Relations

Michael Turner  
Administrator, Government Relations

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Habib F. Balian  
Office of the Chief Executive Officer

ADOPTED AT THE JANUARY 28, 1999 BOARD MEETING

1999-2000 LEGISLATIVE PROGRAM

The purpose of the Legislative Program is to identify the necessary legislative actions needed at the federal, state, regional and local level to further the objectives of the MTA.

1999 FEDERAL PROGRAM

*GOAL #1: SECURE FUNDING IN THE FY 2000 DEPARTMENT OF TRANSPORTATION APPROPRIATIONS ACT.*

Proposed Activities:

- Obtain FY 00 funding for the Metro Red Line Segment 3, North Hollywood project consistent with the North Hollywood MOS-3 Full Funding Grant Agreement (FFGA) and the MTA's Restructuring Plan.
- Assist in obtaining \$8 million in FY 99 appropriations for the Regional Transit Alternatives Analysis for the East Side and Mid-Cities corridors consistent with the FY 99 Conference Report language and \$3 million in FY 99 appropriations for clean fuel buses.
- Obtain FY 00 additional funding for clean fuel buses to support compliance with the consent decree and for bus maintenance facilities improvements.
- Continue to work with interested parties to maintain the viability of fixed guideway systems for the East Side and Mid-Cities corridors; *support FTA's Bus Rapid Transit Initiative and participate in the Bus Rapid Transit Consortium.*
- Work cooperatively with other regional transportation agencies to secure funding for transportation projects in Los Angeles County.
- Continue strong third party advocacy including community leaders, business owners, residents and riders.

*GOAL #2: CONTINUE TO MONITOR LEGISLATION AND FUNDING OPPORTUNITIES THROUGH PROGRAMS IN THE TRANSPORTATION EQUITY ACT OF THE 21 CENTURY (TEA-21) .*

Proposed Activities:

- Support American Public Transit Association (APTA) policy positions aimed at supporting funding for transit and reducing federal mandates and duplicative regulations.

Transit Issues:

- Seek to improve the MTA's position into a higher tier for Section 5309 rail modernization funding to increase funding for our metro rail system.
- Support efforts of private Non-Profit ADA service providers relating to Section 13(c) of the Federal Transit Act.
- Support legislative efforts to give MTA greater flexibility in using federal CMAQ funds for transit service which includes major service expansions on existing transit lines. This would assist the MTA in its efforts to meet the requirements set forth in the Consent Decree.
- Expand the proposed FHWA rule on "design-build" to cover transit projects and bus facilities.

Highway Issues:

- Seek language to ensure that soundwalls are listed as an eligible expenditure for FHWA funds.

*GOAL #3: ACTIVELY IDENTIFY AND MAXIMIZE ADDITIONAL FEDERAL FUNDING SOURCES*

Proposed Activities:

- Obtain Congressional support on MTA's appeal to the Federal Emergency Management Agency (FEMA) for the reimbursement of approximately \$23 million spent to mitigate damage caused by the Northridge Earthquake.
- Oppose any legislation that would require government agencies to participate in the federal Social Security system. Currently, non-contract and Teamster employees are not required to be members of social security. The annual financial impact on the MTA is estimated at \$5.5 million.
- Obtain targeted funding such as ADA, "Access to Jobs" initiative and the Clean Air Act.
- Ensure that the Los Angeles County's ferry boat mileage is counted in the National Transit Database (NTD) and in formulas for urbanized grants and allocations.
- Make the operation of transportation libraries an eligible category under Transportation Enhancements.

**1999 STATE PROGRAM**

*GOAL # 1: ACTIVELY WORK WITH STATE, REGIONAL AND LOCAL TRANSPORTATION INTERESTS TO SECURE, PROTECT AND ENHANCE TRANSPORTATION FUNDING AND PROGRAMS STATEWIDE.*

**Proposed Activities:**

- **Initiate legislation to provide state funding of the 1989 Retrofit Soundwall List.**
- **Initiate legislative efforts to provide for a state and local sales tax exemption on rolling stock purchases.**
- **Seek a budget appropriation of \$250,000 for a Los Angeles County demonstration project which would provide for a coordinated approach on graffiti abatement with a council composed of representatives from transit agencies, law enforcement, schools, Caltrans and local jurisdictions.**
- **Seek, in cooperation with transportation entities, amendments to SB 45 (1997) to provide for the following: 1) The north/south split based on the U.S. Decennial Census; 2) Controls on Caltrans project support costs by providing alternatives to those costs; 3) Ensure that the allocation of Regional Surface Transportation Program (RTSP) funds to regions is in keeping with the ISTEA/SB1435 practice of splitting the minimum guarantee funds between the State Highway Account and the regions; 4) Increase the number of intercity rail corridors eligible for intercity rail funding and provide that intercity rail funding is subject to the north/south split; and, 5) other issues deemed important for the programming of transportation resources, including but not limited to, the more effective use of flexible federal funding through the Surface Transportation Program (STP).**
- **Initiate legislation to increase the fines for rail transit right-of-way violations, making them comparable with "red-light running" and HOV fines, and provide that a portion of the right-of-way violations be returned to the rail transit authority for safety and security programs.**
- **Initiate legislation to add misuse of "bicycles" to the list of infractions on transit property under Penal Code 640(b)(10).**
- **Explore discussions on amending the State Constitution to provide that state gas tax funding can be used for the purchase of rolling stock.**
- **Work with the California Transit Association and other transit interests in securing additional dedicated funding for transportation requirements necessitated by Welfare-to-Work legislation.**

- Support efforts of SCAG and other county transportation commissions in the region to secure new funding for regional core rideshare services and to support legislation which provides employers with state tax credits for subsidizing rideshare programs, transit passes and/or vanpools for their employees.
- Seek funding for eligible projects from state Petroleum Violation Escrow Account (PVEA) funds. MTA projects could include the purchase of clean-fuel vehicles, the development of fueling stations or other projects in accordance with the criteria established by this program.

**GOAL #2:     *SUPPORT LEGISLATIVE AND REGULATORY ACTIONS WHICH  
ENHANCE THE MTA'S ABILITY TO DELIVER TRANSPORTATION  
SERVICES IN LOS ANGELES COUNTY.***

**Proposed Activities:**

- Monitor and report to the Board of Directors any legislation which restructures the MTA Board of Directors or imposes state control over local decision-making.
- Sponsor legislation relating to MTA's procurement authority, including:
  - ◆ Raising the threshold for small purchases from \$1,000 to \$2,500, consistent with federal requirements;
  - ◆ Raising the formal advertising and bidding threshold on non-public works contracts from \$25,000 to \$40,000;
  - ◆ Adding bus procurement as an eligible item under the MTA's "unique and specialized" purchases subject to competitive negotiation.

**1999 REGIONAL AND LOCAL PROGRAM**

*GOAL #1: ESTABLISH AND MAINTAIN SUPPORT AND EFFECTIVE LIAISON WITH LOCAL ELECTED OFFICIALS, REGIONAL AGENCIES, POLICY BOARDS AND MUNICIPAL ORGANIZATIONS TO SECURE, PROTECT AND ENHANCE TRANSPORTATION FUNDING FOR COUNTYWIDE TRANSPORTATION PROGRAMS.*

Proposed Activities:

- Work with elected officials in the City of Los Angeles, the 87 cities in Los Angeles County and regional agencies regarding:
  - ◆ FY 2000 Transportation Appropriations
  - ◆ Bus System Improvements
  - ◆ RTAA Findings & Project Implementation
  - ◆ STIP Amendment
  - ◆ Call for Projects
  
- Develop effective communication, coordination and cooperation with regional agencies, all cities in Los Angeles County and other local government entities to enhance the delivery of transportation services and projects.
  - ◆ Work closely with the Los Angeles City Council Members and staffs relating to the MTA/City of Los Angeles agreement on MOS 3;
  - ◆ Cooperate with the Pasadena Blue Line Construction Authority;
  - ◆ Support the progress of the Alameda Corridor project;
  - ◆ Provide information to local jurisdictions on Proposition 218, relating to local Benefit Assessment Districts;
  - ◆ Work with appropriate MTA staff to encourage and foster cooperation between local jurisdictions' bicycle programs;
  - ◆ Work with appropriate MTA staff on issues relating to Soundwall Retrofit policies;
  - ◆ Coordinate with SCAG in the revisions to the Regional Transportation Plan;
  - ◆ Work with appropriate MTA staff on issues relating to subregional governance;
  - ◆ Work with the appropriate MTA staff in the development of the Call for Projects; and,
  - ◆ Gather support from the California Contract Cities Association, the League of California Cities - Los Angeles County Division, the Southern California Association of Governments, and the Independent Cities Association relative to the MTA's position on local control, regional issues and pending state and federal legislation.
  
- Advocate and garner support among MTA's local funding partners for the federal and state programs within the MTA's 1999-2000 Legislative Program.

ATTACHMENT A

- Through the use of Legislative Briefs, informal briefings and public hearings provide local elected officials, regional and municipal organizations with information regarding MTA's policies and project funding.
- Regularly meet with the California Contract Cities Association (CCA), League of California Cities - Los Angeles County Division, Independent Cities Association (ICA), Valley Industry & Commerce Association (VICA), Southern California Association of Governments (SCAG), Councils of Governments (COG's), Regional Transportation Agency Coalition (RTAC), Northern Corridor Cities, the Los Angeles Area Chamber of Commerce, and other key chambers of commerce on the MTA's transportation issues and projects to gain their support.



**WORKERS COMPENSATION  
QUARTERLY REPORT**



Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

February 1, 1999

Mr. Leslie Rogers  
Regional Administrator  
Federal Transit Administration  
Region IX  
201 Mission Street, Suite 2210  
San Francisco, CA 94105

RE: WORKERS COMPENSATION QUARTERLY REPORT

Dear Mr. Rogers:

The following report summarizes the efforts of the Risk Management Department's efforts to control Operations workers' compensation costs within the LACMTA:

#### New Claims

Pursuant to Board approval, the Travelers Insurance Company workers' compensation policy went into effect September 1, 1998. The Travelers panel of medical clinics and lawyers are now being utilized by the MTA at discounted rates. The Travelers medical management team is developing strategies with treating physicians from the date of injury to minimize the time an injured employee remains away from the job.

The program is too new to report on claim volume with any certainty. Transitions in work comp programs generally create fluctuations that make initial numbers unreliable. Attachment A reflects Lost Time injuries at both Bus and Rail operations. The slight increase in claim frequency rate may be due to new claims that would have previously been coded as recurrences (described below). The five major causes of accidents are also captured in the attachment. Future status reports will contain quantified data on reduction in costs and claim frequency.

#### Recurrence Claims

Workers' compensation claims that pre-date the Travelers insurance policy are being closely monitored to ensure that new claims are not being paid from the self-insured program.

Although the assumption of claims by Travelers is too recent to report reliable information, it is clear that the number of recurrences has dropped since September 1, 1998. The use of a Reocc Form was eliminated on that date. This half page form allowed workers to claim a recurrence of an existing claim without, in many instances, requiring that the employee prove the injury to be work related. These claims were often unfounded and were not adequately challenged. Since September 1, 1998, all work related injuries must be reported through a consistent reporting system to determine whether the claim is new or a recurrence of an existing work related injury. Such determination is made by the employee's treating physician. Travelers assumes the claim to be a new, fully insured claim until that determination is made.

MTA previously received an average of 145 recurrences every month, 35% of the total claims presented. Since September 1, 1998, 31 claims have been deemed recurrences of an existing condition (an average of 10 per month). These claims are being monitored by the Risk Management Department. Staff receives weekly updates from Travelers on the claims that will impact the self-insured program. Risk Management has instituted a rigorous audit schedule of Travelers' claims to ensure adequacy and accuracy of claim reserves and handling.

#### Management and Administration

An interdisciplinary steering committee has been created, consisting of MTA management, union, and insurer representatives to review processes currently in place to address workers' compensation issues. Sub-committees are analyzing segments of the work out team report to identify ways of implementing the team's suggestions. The goal is to reduce the frequency and severity of claims.

The sub-committees formed from the steering committee are addressing the following issues regarding workers' compensation:

- 1) Return to Work Process: Assess and enhance current policies and procedures to ensure that employee lag time between release date and return to duty date is minimized.
- 2) Divisional Injury Management Coordination: Identify functional responsibilities of individuals assigned to coordinate initial and ongoing medical treatment, return-to-work planning, case management, and internal and external communications.
- 3) Proactive Emphasis for Safety: Identify and address important safety issues, including accident prevention and strengthening of the safety management system. Assess historical injury-producing equipment faults. Develop a process to identify and implement preventive fixes.

- 4) Safety Performance Benchmarking: Establish safety performance benchmarks for each MTA location to quantifiably measure program results.
- 5) Transitional Work Program: Develop policies, procedures, and support documentation to provide prompt transitional work assignments to accommodate employee injury medical restrictions.
- 6) Stress Claims Reduction: Identify and implement policies, procedures and training programs to reduce workplace stress claims.
- 7) Fitness for Duty: Assess the viability of implementing physical standards and functional testing protocols for employees.

The final suggestions of these sub-committees will assist Travelers in directing their efforts and resources. More importantly, the steering committee will guide the MTA on internal changes that may be implemented to improve our work comp results.

#### Transitional Duty Program

Risk Management and the workers' compensation steering committee have worked closely with Travelers to develop a program for returning injured employees to work, where appropriate, in a modified capacity during their recovery period. Travelers has contributed its resources, in partnership with the MTA, to develop a transitional duty program.

The introduction of this program is designed to reduce existing and future claims and pay for itself in savings from reduced workers' compensation costs. Returning an employee to work in a temporary modified capacity reduces the temporary disability payment owed to that employee under workers' compensation by the amount earned through the program. It also allows the MTA to utilize those skills an injured employee can accomplish instead of losing that employee's services entirely.

Insurance industry studies reveal that a proactive transitional duty program is necessary to control the cost of workers' compensation claims. Employees benefit physically from returning to work in a transitional capacity by remaining active during recovery. They also benefit psychologically through continued connectivity to their normal work lives and relationships.

A transitional duty program will be implemented on January 18, 1999. The program budget for FY99 is \$1.28 million. This fiscal year's budget has been funded by the savings realized through the formation of a Joint Powers Authority (JPA), budget savings from favorable excess liability and property insurance renewals, and through transfer of \$175,000 budgeted for a Human Resources Special Assistance Program. That program will be reduced by the implementation of the transitional duty

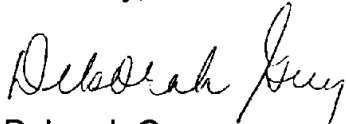
program.

Employees will be returned to temporary transitional duties as soon as possible after the date of injury. They will return, whenever possible, to their usual work environment for a maximum of 60 days until they are sufficiently recovered to assume their normal duties. This program is designed to reduce temporary disability payments and keep our injured employees connected to their customary workplace, avoiding the onset of "disability syndrome".

Joint Powers Authority

MTA and PTSC have formed a Joint Powers Authority (JPA), pursuant to Board authority, for the purposes of pooling the workers' compensation risks for its members, thus saving the cost of premium taxes to both entities. The Travelers policy was converted to reinsurance, effective September 1, 1998. The State of California has issued a Certificate of Self-Insurance to the newly formed JPA, PTSC/MTA Risk Management Authority (PRMA). The savings associated with converting the workers' compensation policy to reinsurance will save both members of the JPA a total of \$900,000 annually off the cost of insurance premiums and \$700,000 from the FY99 budget.

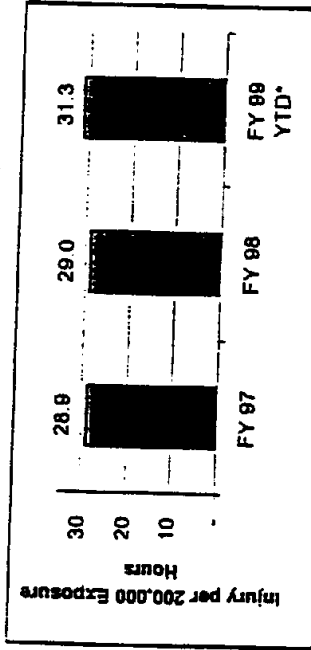
Sincerely,



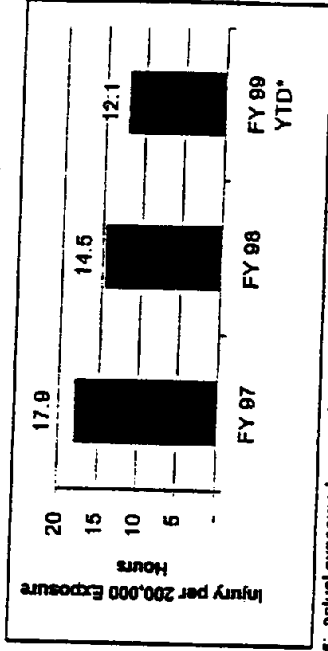
Deborah Guy  
Managing Director, Risk Management

**MTA  
WORKERS' COMPENSATION DATA AS OF 11/30/98**

**Lost Time Injury Rate for Bus Operations**



**Lost time Injury Rate for Rail Operations**



\* Exposure hours for November 98 average of Jul-Oct 98 hours; actual exposure hours not available at the time of print.

**Top Five Causes of WC Injuries FY 99 Bus Operations**

Rank	Category	% of Total
1	STRAIN OR INJ BY MISCELLANEOUS	13.0%
2	MISC CASES-ALL OTHER	10.3%
3	MOTOR VEHICLE-MISCELLANEOUS	10.1%
4	CUMULATIVE ALL OTHER	8.7%
5	MOTOR VEHICLE COLL W/ANOTHER VEH	8.2%
	All other causes	49.6%
	Total	100.0%

**Top Five Causes of WC Injuries FY 99 Rail Operations**

Rank	Category	% of Total
1	STRAIN OR INJ BY MISCELLANEOUS	20.8%
2	MISC CASES-ALL OTHER	12.5%
3	STRESS	8.3%
4	STRAIN OR INJ BY REPETITIVE MOTION	8.3%
5	STRAIN OR INJ BY LIFTING	8.3%
	All other causes	41.7%
	Total	100.0%

LACMTA EXCESS  
REAL ESTATE



January 20, 1999

Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

Leslie T. Rogers  
Regional Administrator  
U. S. Department of Transportation  
Federal Transit Administration  
201 Mission Street, Suite 2210  
San Francisco, CA 94105

RE: LACMTA Excess Real Property  
Acquired under MOS-1 and MOS-2  
FY'96 Triennial Review Follow-Up

Dear Mr. Rogers:

This letter is in response to your letter to Mr. Julian Burke dated December 22, 1998 regarding excess real property.

MTA was requested to provide an update of the status of certain parcels within 30 days of the date of your letter and an overall update on the status of the parcels by June 30, 1999. A response to your specific request is included in the attached summary as well as an overall update on the status of MTA's plans for use or disposition of the excess parcels. An additional update will be provided to you on or before June 30, 1999.

Please contact me at (213) 922-2415 if you need additional information or clarification.

Sincerely,

Velma C. Marshall  
Director of Real Estate

cc: Allan Lipsky, LACMTA  
Habib Balian, LACMTA  
Frank Cardenas, LACMTA  
Frank Flores, LACMTA  
Hiram Walker, FTA Washington  
Erv Poka, Los Angeles Metropolitan Office/FTA  
Terry Esteb, Hill International



**ADVANCED LAND ACQUISITION PROGRAM (ALAP) PARCELS  
METRO RAIL PROJECT - MOS-2  
CA-90-0022**

**1. Parcel A1-250/Wilshire Vermont Station  
Wilshire/Western Station**

The MTA sent out a Request for Proposals for interim joint development in 1997. Only one proposal was received and it was deemed to be non-responsive.

The MTA is currently procuring real estate consultant expertise to assist in determining the most appropriate steps to attract and implement a joint development at these two station sites. In late January, 1999, the MTA will release a Request for Proposals (RFP) directed at firms that provide economic development and market analyses services. The scope of work to be conducted includes:

- Highest and best use analysis, including a market analysis, if necessary.
- Analysis of likely rate of return to the MTA for joint development.
- Site recommendations, including a summary of development potential for each property.
- Most appropriate next steps to attract and implement joint development.
- Assistance, if requested by MTA, in implementing next steps including marketing site, preparing development RFP's, negotiating joint development agreements, and other services.

The MTA is also coordinating with the Community Redevelopment Agency of the City of Los Angeles in discussing joint development proposals for the Wilshire/Western site.

**2. B-102 and B-103 - Temple Beaudry**

The current Cash Counting Facility is not large enough to store the extra equipment and supplies needed to service the new Red Line Stations and the Blue Line Expansion and a new, larger facility is needed. The MTA Revenue Department received grant funds for the design work on a new building. Capital funds have been requested to construct a new facility in the Capital Improvement Plan (CIP) that is currently being prepared. Once the budget review process is completed, we will know whether funds will be available to proceed with construction of a new cash counting facility at this location. If funding is not available or will not be available in the foreseeable future, MTA will recommend development or disposition of this parcel. This parcel will be included in the RFP for a consultant to provide economic development and market analysis services discussed above. FTA will be kept informed on the status of these parcels.

**3. A1-300 and A2-301 - Wilshire/Crenshaw**

FTA concurred with the sale of these two adjoining parcels. The process has been initiated to obtain an appraisal to establish the fair market value of the parcels. A Phase One environmental assessment will also be obtained. Disposition of the parcels will be in compliance with Article 8 of the California Government Code Sections 54220-54232. This Code Section requires public agencies to notify local public agencies and municipalities of the availability of surplus properties prior to notifying the general public that the property is available for sale. The appraisal, environmental investigation and notice period to the public agencies is expected to take 3 to 4 months to complete.

**4. A2-362 - Wilshire/La Brea**

FTA concurred with MTA's decision to issue a Request for Proposal (RFP) for joint development of this parcel. Prior to issuing an RFP for development proposals, this parcel will be included in the RFP for a consultant to provide economic development and market analyses services (see first item above). After this data is available, a focused RFP will be issued for this parcel which will seek to obtain proposals that will yield the highest and best economic use of the parcel. MTA is currently obtaining an appraisal and a Phase One environmental investigation of the parcel.

**5. Parcels A4-755, A4-765, A4-767, A4-772, A4-774, A4-761 - Universal City Station  
C4-815 - North Hollywood Station**

The MTA is currently soliciting development advice and guidance in anticipation of construction completion in the year 2000 and in response to recent interest from the development industry about station area development opportunities. In late January, 1999, the MTA will release a Request for Proposals (RFP) directed at firms that provide economic development and market analyses services. The scope of work to be conducted is outlined in Item #1 above.

**LACMTA EXCESS REAL PROPERTY  
METRO RAIL PROJECT - MOS-1  
CA-03-0130**

**1. Parcels A1-015, A1-016, and A1-021**

Parcels A1-015 and A1-016 are still being used in support of Segment 2 and Segment 3 construction and are expected to continue to be used in support of MTA operations. Parcel A1-021 will be leased to an adjacent property owner until a determination is made for its long term requirements. If it is determined that the parcel is not needed for MTA construction or operational requirements, the parcel will be recommended for disposition.

**2. Parcel A1-209, A1-211, A1-220, A1-221/225, A1-222 and A1-224 - Alvarado Station**

The Master Plan Joint Development Project located at the Wilshire Alvarado Station has secured 9.8 million dollars in funding for the construction of the Westlake MacArthur Park Intercept Intermodal Facility. The funding is to be spent on a 600-650 parking structure and pedestrian enhancements/linkages to the station. The request for proposal for bid documentation of the design/build contract will be released in January, 1999. Bids will be reviewed over the next four months. The consultant will be awarded a contract in May 1999. An RFP for design build should be released in July and construction should commence early in the year 2000.

An additional EDA grant in the amount of 3.4 million has been awarded to the City of Los Angeles, specifically for the purpose of purchasing properties adjacent to the location of the proposed parking structure. The non-profit corporation, Transit Community Development Corporation, TCDC, has obtained appraisals of these properties and is working with the City on becoming the lead in the possible purchase and development of these properties. With these properties and the construction of the parking structure, the City of Los Angeles should be able to find a private developer to invest in a grocery market, housing or mixed use development.





January 28, 1999

Los Angeles County  
Metropolitan  
Transportation  
Authority

Mr. Leslie T. Rogers  
Regional Administrator  
Federal Transit Administration  
Region IX  
201 Mission Street, Suite 2210  
San Francisco, CA 94105

One Gateway Plaza  
Los Angeles, CA  
90012

213.922.6000

**METRO RAIL RED LINE SEGMENT 3 PROJECT  
FTA CREDIT FOR INDIRECT COSTS**

Dear Mr. Rogers:

On November 25, 1998, the Los Angeles County Metropolitan Transportation Authority (MTA) sent a letter to the Federal Transit Administration (FTA) indicating that the MTA had credited federal Section 5309 grants for \$23,364,131 in ineligible indirect expenses on the Metro Rail Red Line Segment 3 Project. At the December 8, 1998 FTA Quarterly Review meeting, FTA requested that the MTA provide verification of the accounting adjustments.

Enclosed is information prepared by the MTA Accounting Department which documents the subject adjustments. Please note that the actual amount that was credited to the federal grants was \$23,032,967, not the \$23,364,131 stated in our November letter. The difference of \$331,164 reflects a April 1997 credit to federal grants for the Mid-City Extension indirect expenses.

I hope that this information is sufficient to meet your needs. If you have any questions, please call me at (213) 922-2474.

Sincerely,

BRIAN BOUDREAU  
Director  
Grants Management & Administration

s:\grants\brian\docs\indirect

Enclosure

cc: Jim Kenna, FTA  
Terry Esteb, Hill International

**LAC - MTA**  
**Red Rail Line, MOS-3 Projects**  
**Indirect Labor Adjustments**  
**November 1998**

<u>Project</u>	<u>Adjustments</u>	<u>Sec. 3 CA-03-0392</u>	<u>Local Prop. C</u>
800082	Move indirect labor from Sec. 3 to Prop. C	(\$15,174,356)	\$15,174,356
	Move expenditures from Prop. C to Sec. 3	11,829,804	(11,829,804)
	Exchange with Proj. 800084	3,344,552	(3,344,552)
800084	Move indirect labor from Sec. 3 to Prop. C	(7,858,611)	7,858,611
	Move expenditures from Prop. C to Sec. 3	7,858,611	(7,858,611)
	Move expenditures from Prop. C to Sec. 3	3,344,552	(3,344,552)
	Exchange with Proj. 800082	(3,344,552)	3,344,552
		_____	_____
	<b>TOTAL</b>	<b>_____</b>	<b>_____</b>



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**ACCOUNTS PAYABLE ADJUSTING VOUCHER**

Batch Name \_\_\_\_\_

Vendor Number \_\_\_\_\_

Vendor Name \_\_\_\_\_

Page 1 of REF1

Invoice # \_\_\_\_\_

Post Date Nov. 98

Reference Document \_\_\_\_\_

Project Related  No  Yes

LINE	ACCOUNTING FLEXFIELD				O.C.	DEBIT	CREDIT	LINE ITEM DESCRIPTION	ACCOUNT #
	FUND	PROJECT	TASK	EXPENDITURE TYPE OF ACCOUNT #					
1	6	0	0	6	0	15,174,356.00		SERV PROF AND TECH SERVICE	5 0 3 1 6
2	6	0	0	6	0		15,174,356.00	SERV PROF AND TECH SERVICE	5 0 3 1 6
3	6	0	0	6	0	736,765.00		SERV PROF AND TECH SERVICE	5 0 3 1 6
4	6	0	0	6	0		736,765.00	SERV PROF AND TECH SERVICE	5 0 3 1 6
5	6	0	0	6	0	1,416,454.00		SERV PROF AND TECH SERVICE	5 0 3 1 6
6	6	0	0	6	0		1,416,454.00	SERV PROF AND TECH SERVICE	5 0 3 1 6
7	6	0	0	6	0	279,832.00		SERV PROF AND TECH SERVICE	5 0 3 1 6
8	6	0	0	6	0		279,832.00	SERV PROF AND TECH SERVICE	5 0 3 1 6
9	6	0	0	6	0	4,596,109.00		ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
10	6	0	0	6	0		4,596,109.00	ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
11	6	0	0	6	0	1,662,327.00		ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
12	6	0	0	6	0		1,662,327.00	ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
13	6	0	0	6	0	121,933.00		ACQUISITION OF EQUIPMENT	5 3 1 0 2
14	6	0	0	6	0		121,933.00	ACQUISITION OF EQUIPMENT	5 3 1 0 2
15	6	0	0	6	0	16,998.00		ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
16	6	0	0	6	0		16,998.00	ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
17	6	0	0	6	0	3,707.00		SERV PROF AND TECH SERVICE	5 0 3 1 6
18	6	0	0	6	0		3,707.00	SERV PROF AND TECH SERVICE	5 0 3 1 6
						24,006,479.00	24,006,479.00		

JV Explanation: To change the funding source of Fringe Benefit and Overhead ( Indirect Labor Costs ) to Local Prop. C for the period from: 07/01/95 to 07/31/98, and change the funding source of other Tasks of the same period from Local Prop. C to FTA CA-03-0392.

Prepared by Allen Yeh Date 10/27/98

Reviewed By \_\_\_\_\_

Date \_\_\_\_\_

Approved by \_\_\_\_\_

Date \_\_\_\_\_

Entered by: \_\_\_\_\_ Date Entered \_\_\_\_\_

VOUCHER # \_\_\_\_\_



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**ACCOUNTS PAYABLE ADJUSTING VOUCHER**

Batch Name \_\_\_\_\_ Vendor Name MTA A/P Adjustment Page 2 of REF1 \_\_\_\_\_  
 Vendor Number \_\_\_\_\_ Post Date Nov. 98 Reference Document \_\_\_\_\_  
 Invoice # \_\_\_\_\_ Project Related  No  Yes

LINE #	ACCOUNTING FLEXFIELD				EXPENDITURE TYPE OF ACCOUNT /	C.C.	DEBIT	CREDIT	LINE ITEM DESCRIPTION	ACCOUNT #
	FUND	PROJECT	TASK	OBJECT						
19	6	0	0	2	ACQUISITION	6 5 1 0	103,588.00	103,688.00	ACQUISITION OF REVENUE VEHICLE	6 3 1 0 5
20	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF REVENUE VEHICLE	6 3 1 0 5
21	6	0	0	2	ACQUISITION	6 5 1 0	476,924.00	476,924.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
22	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
23	6	0	0	2	ACQUISITION	6 5 1 0	54,637.00	54,637.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
24	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
26	6	0	0	2	ACQUISITION	6 5 1 0	348,134.00	348,134.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
28	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
27	6	0	0	2	ACQUISITION	6 5 1 0	8,009.00	8,009.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
28	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
29	6	0	0	2	ACQUISITION	6 5 1 0	388,351.00	388,351.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
30	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
31	6	0	0	2	ACQUISITION	6 5 1 0	400,329.00	400,329.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
32	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
33	6	0	0	2	ACQUISITION	6 5 1 0	829,571.00	829,571.00	ACQUISITION OF EQUIPMENT	6 3 1 0 2
34	6	0	0	2	ACQUISITION	6 5 1 0			ACQUISITION OF EQUIPMENT	6 3 1 0 2
35	6	0	0	2	SERVICES	6 5 1 0	46,719.00	46,719.00	SERV PROF AND TECH SERVICE	6 0 3 1 6
36	6	0	0	2	SERVICES	6 5 1 0			SERV PROF AND TECH SERVICE	6 0 3 1 6
37	6	0	0	2	ACQUISITION	6 5 1 0	3,258.00	3,258.00	ACQUISITION OF BUILDING & STRUCTURE	5 3 1 0 1
<b>PAGE TOTAL</b>							<b>2,659,520.00</b>	<b>2,658,262.00</b>		
							<b>26,667,999.00</b>	<b>26,664,741.00</b>		

**JV Explanation:** To change the funding source of Fringe Benefit and Overhead ( Indirect Labor Costs ) to Local Prop. C for the period from 07/01/95 to 07/31/98, and change the funding source of other Tasks of the same period from Local Prop. C to FTA CA-03-0392.

Prepared by Allen Yeh Date 10/27/98 Reviewed By \_\_\_\_\_ Date \_\_\_\_\_ Approved by \_\_\_\_\_ Date \_\_\_\_\_  
 Entered by \_\_\_\_\_ Date Entered \_\_\_\_\_ VOUCHER # \_\_\_\_\_





**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**ACCOUNTS PAYABLE ADJUSTING VOUCHER**

Batch Name \_\_\_\_\_ Vendor Name MTA A/P Adjustment Page 3 of REFI  
 Vendor Number \_\_\_\_\_ Post Date Nov. 88 Reference Document \_\_\_\_\_  
 Invoice # \_\_\_\_\_ Project Related  No  Yes

ACCOUNTING FILE FIELD										CREDIT		DEBIT		LINE ITEM DESCRIPTION		ACCTG DEPT ONLY										
LINE	FUND	PROJECT	TASK	EXPENDITURE TYPE OF ACCOUNT #	F.O.	PROJECT	TASK	EXPENDITURE TYPE OF ACCOUNT #	F.O.	CREDIT	DEBIT	LINE ITEM DESCRIPTION	ACCTG DEPT ONLY	ACCOUNT #												
															38	6	0	0	6	0	0	0	2	3.4.002.2	0	5
39	6	0	0	6	0	0	0	2	3.4.002.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
40	6	0	0	6	0	0	0	2	3.4.004.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
41	6	0	0	6	0	0	0	2	3.4.004.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
42	6	0	0	6	0	0	0	2	3.4.030.3	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
43	6	0	0	6	0	0	0	2	3.4.030.3	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
44	6	0	0	6	0	0	0	2	3.4.036.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
45	6	0	0	6	0	0	0	2	3.4.036.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
46	6	0	0	6	0	0	0	2	3.4.061.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
47	6	0	0	6	0	0	0	2	3.4.061.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
48	6	0	0	6	0	0	0	2	3.4.063.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
49	6	0	0	6	0	0	0	2	3.4.063.2	0	5	1	0	3	ACQUISITION OF LAND	5	3	1	0	3	ACQUISITION OF LAND	5	3	1	0	3
50	6	0	0	6	0	0	0	2	3.5.01.1.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
51	6	0	0	6	0	0	0	2	3.5.01.1.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
52	6	0	0	6	0	0	0	2	3.5.01.2.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
53	6	0	0	6	0	0	0	2	3.5.01.2.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
54	6	0	0	6	0	0	0	2	3.5.01.4.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
55	6	0	0	6	0	0	0	2	3.5.01.4.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
56	6	0	0	6	0	0	0	2	3.5.01.4.1	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
57	6	0	0	6	0	0	0	2	3.5.01.4.2	0	5	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1	ACQUISITION OF BUILDING & STRUCTURE	5	3	1	0	1
<b>PAGE TOTAL</b>										<b>338,150.00</b>	<b>338,150.00</b>															
										<b>27,004,168.00</b>	<b>27,004,168.00</b>															

JV Explanation: To change the funding source of Fringe Benefit and Overhead ( Indirect Labor Costs ) to Local Prop. C for the period from 07/01/86 to 07/31/88, and change the funding source of other tasks of the same period from Local Prop. C to FTA CA-03-0392.

Prepared by Allen Yeh Date 10/27/88 Reviewed By \_\_\_\_\_ Date \_\_\_\_\_ Approved by \_\_\_\_\_ Date \_\_\_\_\_  
 Entered by: \_\_\_\_\_ VOUCHER # \_\_\_\_\_

## TAC - MTA

Metro Red Rail Line, MOS - 3  
 Project 800082, North Hollywood Extension  
 Local Prop. C Funding Between 07/01/95 to 07/31/98

Task #	ITD @ 07/31/98 Local Prop. C	ITD @ 06/30/95 Local Prop. C	Expenditures 07/01/95 - 07/31/98	Transfer from / (to) FTA CA-03-0392
3.1.01.1	4,916,220	5,348,492	(432,272)	15,174,356
3.2.01.1	1,246,711	509,946	736,765	(736,765)
3.2.02.1	1,416,454		1,416,454	(1,416,454)
3.2.03.1	410,190	130,358	279,832	(279,832)
3.3.01.1	4,596,109		4,596,109	(4,596,109)
3.3.01.2.1	1,562,591	364	1,562,327	(1,562,327)
3.3.01.5	121,933		121,933	(121,933)
3.3.03.1	157,069	140,073	16,996	(16,996)
3.2.03.2	3,707		3,707	(3,707)
3.3.05.1	103,588		103,588	(103,588)
3.3.06.2	476,524		476,524	(476,524)
3.3.05.3	54,537		54,537	(54,537)
3.3.07.1	357,311	9,177	348,134	(348,134)
3.3.07.2	8,009		8,009	(8,009)
3.3.07.3	388,351		388,351	(388,351)
3.3.07.5	403,533	3,204	400,329	(400,329)
3.3.08.1	848,429	18,258	829,571	(829,571)
3.3.10.1	181,108	301,441	(120,333)	
3.4.001.1	46,719		46,719	(46,719)
3.4.001.2	13,866	136,600	(122,734)	
3.4.001.3	4,131	4,131	-	-
3.4.002.2	3,892,500	3,754,460	138,040	(138,040)
3.4.004.2	6,000		6,000	(6,000)
3.4.011.2	2,087	2,800	(713)	
3.4.030.3	620		620	(620)
3.4.038.2	1,700		1,700	(1,700)
3.4.051.2	4,790		4,790	(4,790)
3.4.053.2	155		155	(155)
3.4.990	28,007	28,007	-	-
3.5.01.1.1	559,596	388,331	171,265	(171,265)
3.5.01.2.1	13,490		13,490	(13,490)
3.5.01.4.1	99		99	(99)
3.5.01.4.2	3,258		3,258	(3,258)
3.3.01	(274)		(274)	
<b>TOTAL</b>	<b>\$21,929,717</b>	<b>\$10,776,239</b>	<b>\$11,153,478</b>	<b>\$3,344,552</b> Short

Use 800084  
 3.3.05.1



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
ACCOUNTS PAYABLE ADJUSTING VOUCHER

Batch Name \_\_\_\_\_ Vendor Name \_\_\_\_\_ MTA GL Adjustment \_\_\_\_\_ Page 1 of 1  
 Vendor Number 61974 Post Date 10/31/98 Reference Document \_\_\_\_\_  
 Invoice # \_\_\_\_\_ Project Related  No  Yes

LINE	ACCOUNTING FLEXFIELD				EXPENDITURE TYPE OF ACCOUNT #	C.U.	DEBIT	CREDIT	LINE ITEM DESCRIPTION	ACCOUNT #
	FUND	PROJECT	TASK							
1	6006	0000	4	3.2.01.1	SERVICES	8610	7,658,611.00		SERV PROF AND TECH SERVICE	50316
2	6006	0000	4	3.2.01.1	SERVICES	8610		7,658,611.00	SERV PROF AND TECH SERVICE	50316
3	6006	0000	4	3.1.01.1	ALLOCATED	8610	7,658,611.00		ALLOCATED OVERHEAD	53012
4	6006	0000	4	3.1.01.1	ALLOCATED	8610		7,658,611.00	ALLOCATED OVERHEAD	53012
							15,717,222.00	15,717,222.00		

JV Explanation: Correct funding source for expenditures charged to project 800084 from FTA 0392 to Prop C and Vice Versa  
 To move this F/B and 0/14 (Indirect Labor Costs) from FTA CA-01-0192 Funding Source to local prof. s.  
 Prepared by: M. D. Reyes Jr Date Entered: 10/27/98  
 Reviewed By: [Signature] Date: 10-27-98  
 Approved by: \_\_\_\_\_ Date: \_\_\_\_\_

Entered by: \_\_\_\_\_ Date Entered: \_\_\_\_\_ VOUCHER # \_\_\_\_\_



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY  
ACCOUNTS PAYABLE ADJUSTING VOUCHER**

Batch Name \_\_\_\_\_ Vendor Name MIA A/P Adjustment Page 1 of 1  
 Vendor Number \_\_\_\_\_ Post Date Nov-98 Reference Document \_\_\_\_\_  
 Invoice # \_\_\_\_\_ Project Related  No  Yes

LINE	FUND	PROJECT	ACCOUNTING ELEMENT	TASK	EXPENDITURE TYPE	DEBIT	CREDIT	ACQUISITION OF REVENUE VEHICLE	ACQUISITION OF REVENUE VEHICLE	ACCOUNT #
1	0000	0000	3305.1		ACQUISITION	3,344,552.00				63105
2	0000	0000	3305.1		ACQUISITION		3,344,552.00			63105
							<b>3,344,552.00</b>	<b>3,344,552.00</b>		

JV Explanation: To change the funding source from Local Prop. C to FIA CA-03-0392.

Prepared by: Allen Yeh Date Entered: 11/05/98  
 Reviewed By: [Signature] Date: 11/05/98  
 Approved by: [Signature] Date: 11/05/98  
 VOUCHER # \_\_\_\_\_

**UMTA  
ECHIO PAYMENT REQUEST FORM**

<b>ECHIO CONTROL NUMBER :</b>	<u>69080072</u>	<b>DATE :</b>	<u>11/08/98</u>	<b>MARK (X) IF CREDIT</b>
<b>REQUEST NO :</b>	<u>16</u>	<b>B.O.H. :</b>	<u>- 0 -</u>	
<b>RECIPIENT'S NAME :</b>	<u>LAC - MTA</u>	<b>TEL. NO. :</b>	<u>(213) 922-5428</u>	
<b>APPROVING OFFICIAL :</b>	<u>George Beck</u>	<b>CONTACT :</b>	<u>Harvey Sautler</u>	
<b>TOTAL AMOUNT CLAIMED :</b>	<u>0</u>	<b>PROJECT NO.</b>		
<b>PROJECT NO.</b>		<b>AMOUNT</b>		
<b>CA-03-0392 (R82)</b>	<u>3,344,552</u>	<b>MARK (X) IF CREDIT</b>		
<b>CA-03-0392 (R84)</b>	<u>3,344,552</u>	<input checked="" type="checkbox"/>		

George Beck  
 Signature of Authorizing Official  
 11/06/98  
 Date

LACMTA RAIL  
OPERATIONS



January 25, 1999

Los Angeles County  
Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012

213.922.6000

Mr. Leslie T. Rogers  
Regional Administrator  
Federal Transit Administration  
Region IX  
201 Mission Street, Suite 2210  
San Francisco, CA 94105

Dear Mr. Rogers:

The Operations Department continues to support the myriad of tasks leading up to a successful revenue operations date. Rail Operations continues to focus its efforts in several specific areas of concern, i.e., recruitment of operations personnel, availability of rail revenue rolling stock, the TRACS or central train control and monitoring system and working along with construction staff to assure completion of Phase II systems integration testing prior to ROD.

To date, MTA Rail Operations has an active heavy rail fleet of 30 vehicles. Since the opening the initial Metro Red Line Segment, the MTA has exercised several options with its heavy rail vehicle manufacturer, i.e., Breda (Costruzioni Ferroviarie) that will raise the total number of heavy rail cars to 104. To date, some 49 of these new option cars have been delivered to the MTA; of these, 36 have been accepted with only four available for revenue service; however, all are undergoing warranty repairs. It is projected that a minimum of 52 heavy rail vehicles initially will be required for the Metro Red Line when it is extended to Hollywood.

In order to assure availability of this required number of cars for revenue service next Spring, Rail Operations has established a tiger team consisting of rail equipment maintenance personnel, train operators, supervisors, procurement staff, quality assurance staff, construction project staff and supporting contractor and consultant staff. This team is working daily to assure sufficient vehicle availability for operations by the projected start of pre-revenue operations mid-April. While window gasket replacements continue, door functioning problems show slight improvements. Vehicle propulsion related problems causing the regenerative braking system to be disconnected continue to be evaluated by the contractor. Sufficient quantities of vehicle emergency trip stop component replacements are expected to be installed prior to the start of pre-revenue operations; however, the MTA has yet to receive drawings and tests for the redesigned component.

FTA Quarterly Review Meeting—Status of Rail Operations Activities

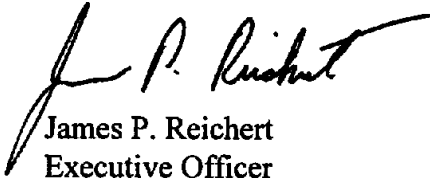
January 25, 1999

Page 2

The TRACS system is critical to Rail Operations to monitor and control the safe, reliable and efficient operation of the heavy rail system. Various features of the TRACS system are dependent upon successful resolution of several hardware and software problems. In addition, resolution of procurement/contractual issues, such as with the data radio system, has a direct bearing on the system's achieving efficiencies incorporated in the system's overall operating design. It is hoped that remaining software and hardware problems associated with TRACS will be resolved well before ROD. If not, manual operation procedures for some to be automated functions will be in place. In fact, it is anticipated that all deficiencies related to fire/life/safety issues as well as systems integrated testing will be resolved and completed well before ROD.

In conclusion, Rail Operations continues to work closely with its Construction colleagues to assure a safe, reliable and efficient extension to the heavy rail system.

Sincerely,



James P. Reichert  
Executive Officer  
Transit Operations



**KEY LEGAL ACTIONS**



# COUNTY OF LOS ANGELES

OFFICE OF THE COUNTY COUNSEL

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LOS ANGELES, CALIFORNIA 90012-2713

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TELEPHONE  
(213) 922-2528

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(213) 922-2530

January 13, 1999

Address Reply to:  
One Gateway Plaza, 24th Floor  
Los Angeles, CA 90012-2930

Renee Marler, Esq.  
Regional Counsel, Region IX  
FEDERAL TRANSIT ADMINISTRATION  
201 Mission Street  
Suite 2210  
San Francisco, California 94105

**Re: Quarterly Update on Status of Key Legal Actions**

Dear Renee:

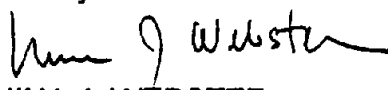
Attached please find the quarterly update as of December 31, 1998, of the Status of Key Legal Actions Related to Federally Funded Projects. In addition, I will send you copies of documents on key cases in this report like the Consent Decree and the Beauchamp case.

Please call if you have any questions (213) 922-2528.

Very truly yours,

LLOYD W. PELLMAN  
County Counsel

By:

  
NINA J. WEBSTER  
Principal Deputy County Counsel

NJW:db  
Attachments

c: Leslie Rogers  
Steven Carnevale  
Jeff Christiansen

Los Angeles County Metropolitan Transportation Authority  
 Status of Key Legal Actions Related to Federally Funded MTA Projects  
 Date as of December 31, 1998

CASE NAME	CASE NUMBER	GRANT NUMBER	NARRATIVE	CASE STATUS
Beauchamp, Larry, et al. v. LACMTA, et al.	CV 8 0402 CNB (BQRx)	ALL	Plaintiffs, disabled bus patrons, allege MTA and its contractor, Ryder/ATE, violated the ADA and section 504 of the Rehabilitation Act by failing to maintain bus wheelchair lifts and related equipment. Plaintiffs seek damages and an injunction requiring full and equal access.	Motion for Preliminary injunction issued; discovery initiated;
Fonseca, Jose, et al. v. MTA	BC195151	MRL- CA-90-X575, CA-03-0392 Eastside Extension	Petition for Writ of Mandate by East L.A. residents and community groups to halt further demolition of structures acquired for subway construction and to compel implementation of mitigation measures. Trial 2/19/99.	Trial pending.
Gerlinger (MTA) v. Parsons Dillingham	BC150298, etc.	MOS-1 and CA-03-0341, CA-90-X642	Qui Tam action. Concerns allegations of overbilling by MTA's construction Manager, Parsons-Dillingham. County Counsel joined as prosecuting Authority for MTA. MTA has also filed its own lawsuit against Parsons-Dillingham for breach of contract, fraud and accounting. June 1, 1999 Trial date.	Discovery Stage.
Hanneken v. MTA;	BC116625	CA-03-0341, CA-90-X642;	These cases involve owners, merchants and tenants who claimed damages caused by MTA construction activities on Hollywood, Vermont and Lankershim Blvds and Runyon Canyon. All of the property owner cases in the Hollywood area where the most significant subsidence occurred (6500 Block) have been settled by the MTA's insurance carrier. The remaining cases are being negotiated by the MTA's insurance carrier. Runyon Canyon property owners ( <u>Weber</u> ) claim a diminution in property values because of the presence of the Red Line Tunnels beneath their properties. The Hollywood Edgemont cases are awaiting trial and should be resolved in 1999.	Partially Settled.
Universal Hyundai v. MTA;	BC142385	CA-90-X575, CA-03-0392;		
Nhut Dang v. MTA;	BC153683	CA-03-0341, CA-90-X642;		
Hollywood Edgemont v. MTA;	BC148113	CA-03-0341, CA-90-X642;		
Weber v. MTA	BC163711	CA-90-X575, CA-03-0392		

Hollywood Blvd. Community Council, et al. v. MTA	CV962580J GD (RMCx)	CA-90-X575 CA-03-0392	Several community groups sought to halt subway construction beneath Hollywood and the Santa Monica Mountains alleging that the MTA and U.S. Dept. of Transportation failed to adequately consider environmental impacts of subway construction on the Hollywood Historic District and Runyon Canyon Park. The Court granted MTA's and U.S. DOT's motions for summary judgment on May 6, 1997. On July 3, 1997, Plaintiffs filed a timely appeal. The parties are awaiting the decision of the 9 <sup>th</sup> Circuit Court of Appeal.	On Appeal.
Labor/Community Strategy Center v. MTA	CV94-5936TJH	ALL	On October 28, 1996, Federal Judge Terry Hatter approved a Consent Decree reached between the Authority and the class action plaintiffs. The Consent Decree provides for the Authority to: (i) reduce its load factor (i.e. the number of people who stand on the bus) to certain targets, (ii) expand bus service improvements by making available a net of 102 additional buses, (iii) implement a pilot project, followed by a Five Year Plan, to facilitate access to County-wide jobs, education and health centers, (iv) not increase cash fares for two years and pass fares for three years beginning December 1, 1996, after which the Authority may raise fares subject to certain conditions of the Consent Decree and (v) introduce a weekly pass and an off-peak discount fare on selected lines.	Settled. Parties are currently in a proceeding before the special master to ensure load factor compliance and a Five Year Plan.
Metro East Consultants v. MTA	BC158879	CA-90-X575, CA-03-0392	MTA has appealed Order granting petition for writ of mandate to invalidate award of Eastside Construction Management contract.	On Appeal.
Mid-Wilshire Associates v. MTA; Willern Associates v. MTA; Total Properties v., MTA	BC106135 BC113523	CA-03-0341 CA-90X642	All of these cases claim construction impacts on businesses and properties along Wilshire Blvd. These cases have been settled by the MTA insurance carrier or tried to judgment and the judgment paid by the MTA insurance carrier. Three cases are on appeal.	Settled/Tried /Appealed
MTA v. Argonaut; Argonaut v. MTA	BC171636 BC156601	MOS-1, CA-03-0341, CA-90-X642, CA-90-X575, CA-03-0392	MTA is in litigation with its carrier to determine the number of deductibles owed for Argonaut's insurance coverage on the Red Line Project. MTA alleges bad faith by Argonaut in administering MTA's insurance coverage on the Red Line.	Discovery Stage.

MTA v Parson Dillingham	BC179027	MOS-1 and CA-03-0341, CA-90-X642	MTA filed suit against Parsons Dillingham for fraud and Breach of Contract in the performance of construction management services. June 1, 1999 Trial date.	Discovery Stage.
MTA v. SKK; SKK v. MTA	BC136559, etc.	CA-03-0341, CA-90-X642 and CA-90-X575, CA-03-0392	These cases revolve around MTA's default of Shea-Kiewit-Kenny ("SKK") on contract B251. Claims include breach of contract, extra work claims, conversion of contractor equipment and MTA's removal of biased disputes review board member. MTA cross-complained for breach of contract and fraud. Except for case BC124540 which is in discovery stage the other actions have been stayed pending exhaustion of administrative remedies. Trial court decision in favor of MTA's decision to terminate its DRB appointees, was upheld on appeal. U.S. Supreme Court denied SKK's petition for cert.	All except one case stayed pending Exhaustion of Admin. Remedies.
Obayashi v. MTA	EC024692	CA-90-X575, CA-03-0392	Obayashi, tunnel contractor for the tunnel beneath Lankershim Blvd., claims breach of contract for work performed on contract C331.	Discovery Stage.
Rescue Our Canyons, et al. v. MTA, et al.	CV962078J GD (RMCx)	CA-90-X575, CA-03-0392	On June 26, 1996, the parties entered into a Consent Decree to protect Runyon Canyon Park and private property during the Hollywood Hills subway tunneling. The Consent Decree makes a finding that compliance with the Decree along with the prior MTA environmental documentation constitutes sufficient information to satisfy state and federal environmental requirements. The MTA is in compliance with the Consent Decree.	Settled.
Steiny v. MTA	BC145950 BC178939	CA-03-0341, CA-90-X642	These case have been brought by Steiny, an electrical subcontractor, for breach of contract arising out of the installation of the electrical work on the Vermont Red Line Station.	Discovery Stage.
Tutor-Saliba-Perini v. MTA	BC123559 BC132998	CA-03-0341, CA-90-X642	These cases have been brought by Tutor-Saliba-Perini, the prime contractor for construction of the Normandie and Western stations, against the MTA for breach of contract. Trial will be set in 1999.	Trial pending.
Tutor-Saliba-Perini v. MTA	BC193559	CA-03-0341, CA-90-X642	Tutor-Saliba-Perini claims breach of contract relating to the disposal of contaminated soils under to contracts B241 and B261.	Discovery Stage.





Metropolitan  
Transportation  
Authority

One Gateway Plaza  
Los Angeles, CA  
90012-2952

February 2, 1999

TO: LESLIE ROGERS  
FTA REGIONAL ADMINISTRATION

FROM: HABIB BALIAN 

SUBJECT: PROPOSED BUS ACQUISITION PLAN

The attached Bus Acquisition Plan essentially demonstrates that the MTA will be ready and able to accept and operate the anticipated coaches shown in the purchase plan.

The most significant element of the plan involves the use of a public private partnership to construct, and operate facilities at Divisions 5, 7, and 9. This approach will allow bringing these facilities up to speed more quickly than under a traditional procurement process.

While the plan needs refinement, it lays out architecture strategy to achieve our goals.

Attachment

**PLAN OUTLINE FOR ACQUISITION OF CNG COACHES**

The MTA has embarked on an ambitious program to acquire 2,095 new CNG powered coaches by the year 2004. This plan outlines the steps needed to accommodate these coaches.

**BUS PURCHASES**

The current plan calls for the purchase and acceptance of coaches as follows:

<u>Order</u>	<u>Number</u>	<u>Status of Fleet</u>
Original Neoplan order	294 coaches	In Service
Second Neoplan order	300 coaches	292/300 in service
Neoplan option	100 coaches	Expected Delivery 3/99 to 7/99
New Flyer	223 coaches	Expected Delivery 8/99 to 12/99
NABI	215 coaches	Expected Delivery 12/99 to 5/2000
New Flyer Option	223 coaches	Expected Delivery 8/2000 to 12/2000
<hr/> New Fleet-current orders	<hr/> 1355 coaches	<hr/> In service by 1/1/2001
Future orders	740 coaches	Expected Delivery 4/01 thru 2004
<hr/> <b>GRAND TOTAL</b>	<hr/> <b>2095 coaches</b>	<hr/>

By June, 2001, it is anticipated that 1620 new coaches will be on the MTA property. The fueling capacity at the Divisions as discussed below will be ready to handle that need.

**Fueling Capacity**

With the acceptance of new coaches, there is a need to update the facilities currently in existence and add to the fueling capacity at the agency. The facilities plan calls for the following construction activities:

<b>DIVISION CNG FUELING CAPACITY AND UPGRADES</b>				
<b>DIVISION</b>	<b>CURRENT CNG CAPACITY (coaches)</b>	<b>FUEL STATION</b>	<b>CAPACITY UPGRADE (coaches)</b>	<b>DATE NEEDED ON LINE</b>
DIV 8	100	IN SERVICE	120	JAN 2000



DIVISION CNG FUELING CAPACITY AND UPGRADES				
DIVISION	CURRENT CNG CAPACITY (coaches)	FUEL STATION	CAPACITY UPGRADE (coaches)	DATE NEEDED ON LINE
DIV 15	100	IN SERVICE	120	JAN 2000
DIV 10	180	IN SERVICE	240 (plus 60)	JAN 2001
DIV 18	180	IN SERVICE	240 (plus 60)	JAN 2001
DIV 3	0	UNDER CONSTRUCTION	180	JUNE 1999
DIV5	0	IN PLAN	200	JAN 2000
DIV 7	0	IN PLAN	200	JAN 2000
DIV 9	0	IN PLAN	200	JAN 2000
DIV 1	0	IN PLAN	200	JAN 2002
DIV 2	0	IN PLAN	200	JAN 2003
TOTALS	560	-----	1900	-----

The total fleet size of 2,095 coaches will not be fueled on a daily basis. Some of the coaches will be in maintenance and ultimately some of the coaches will be used for contracted service on existing MTA lines. It should also be noted that these are design capacities which do not account for additional fueling on overtime or at other periods during the day.

Divisions 5, 7, and 9 are likely to be constructed as part of a public/private partnership that will be announced in the next several months. The contractor will be responsible for operating and maintaining the fuel station. It is anticipated that a staff of 5-6 individuals will be needed to support and monitor contractor activities throughout the period. Existing staff (9) maintain current fueling stations and may be augmented in Fiscal year 2000 to handle the MTA owned station at Division 3. If needed, Divisions 1 and 2 can be accelerated.

### Maintenance Staff Training

Aside from the need to train staff specifically for maintenance of the fueling stations, Service Attendants, Mechanics, and Supervisory personnel will need to be trained to handle, repair, fuel, and diagnose equipment related issues. Training for maintenance staff is planned to occur 3-4 months before the arrival of each order at a Division and will be provided by the Original Equipment Manufacturer. In Fiscal Year 2000, it is anticipated that additional instructors will be hired to provide continuous training for new hires as well as provide re-training as needed.

In addition, the Maintenance and Human Resources Departments are concentrating on the acceleration of hiring for vacant mechanic and maintenance specialist positions, along with vacant supervisory personnel, so that a full complement of staff will be available to maintain the anticipated fleet.

In addition to this training staff is pursuing computer based training programs that mechanics can pursue independently to enhance their skills. The MTA is also focusing its training efforts on the development of Personnel Qualification Standards to insure that mechanics are fully capable before allowing progression to higher levels of responsibility. These training actions plus staff acquisitions will insure that service is met.

### **Schedule**

A comprehensive schedule will be developed as part of this effort to insure that all milestones are met.



**Year 2000 Project  
Monthly Progress Report**

**Status Date: December 25, 1998**

**(Report issued under separate cover)**