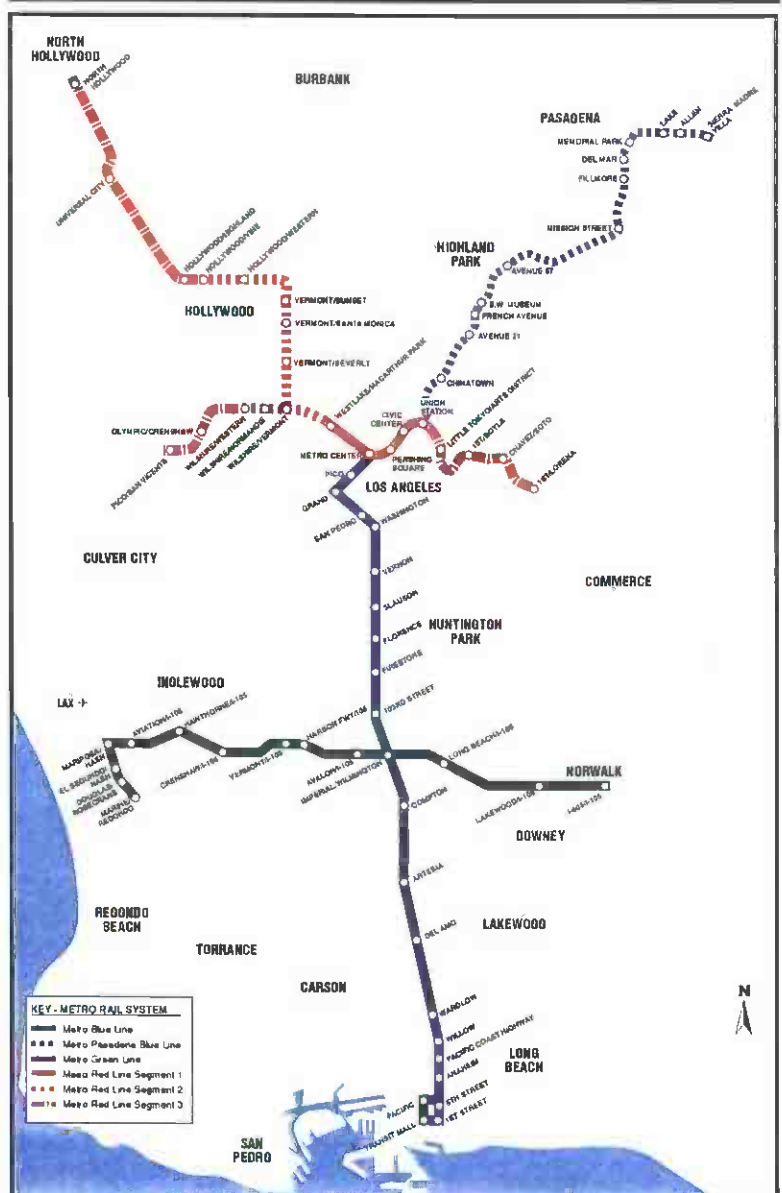


MTA METRO CONSTRUCTION



Executive Report Rail Program Status



AUGUST 1998

RAIL PROGRAM STATUS SUMMARY

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
METRO CONSTRUCTION DIVISION

AUGUST 1998

RAIL PROGRAM SUMMARY



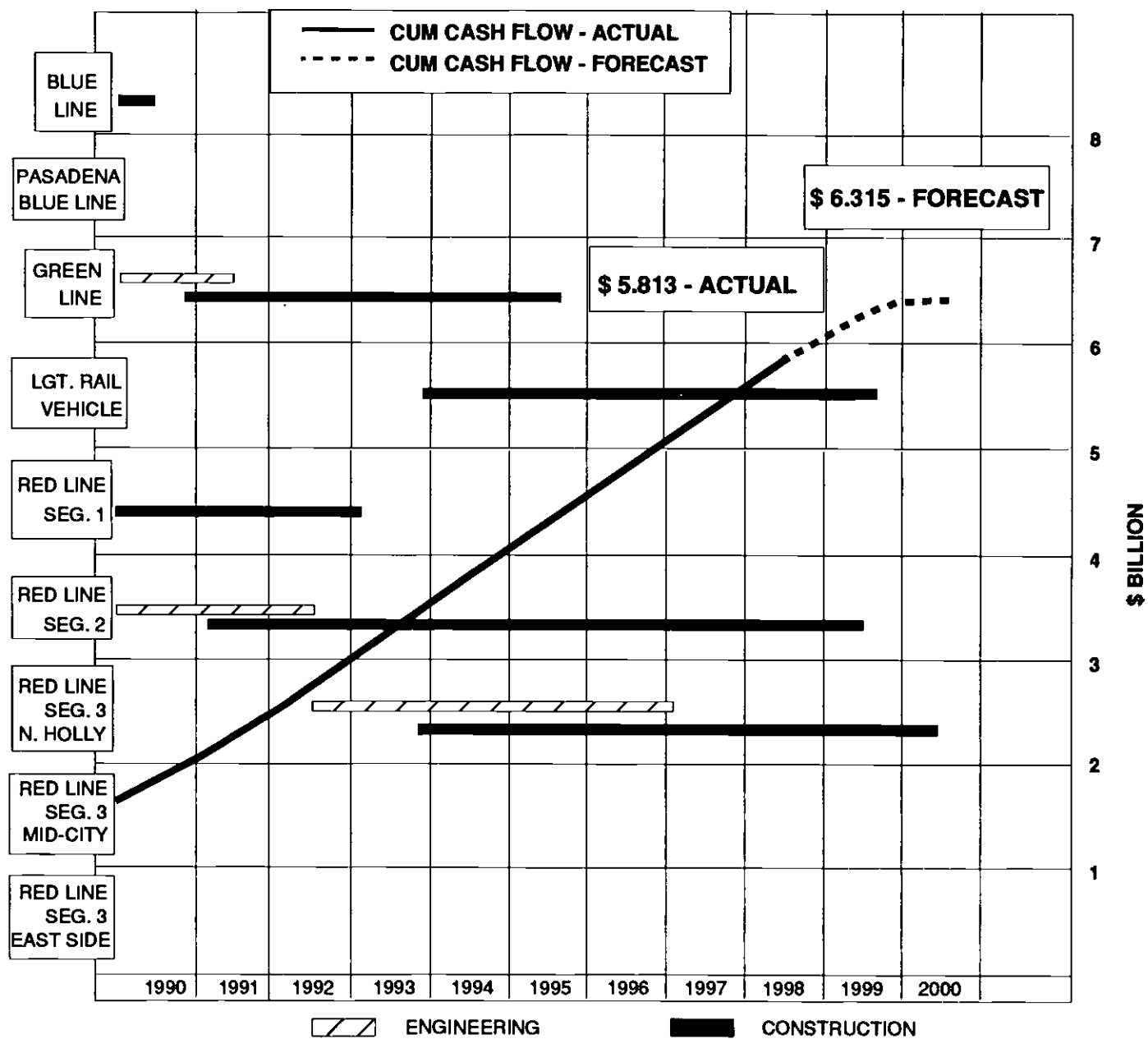
EXECUTIVE SUMMARY RAIL PROGRAM STATUS as of August 1998

	RED Segment 1	RED Segment 2	RED Seg 3 N. Hollywd.	RED Seg 3 Mid-City	RED Seg 3 East Side	BLUE Long Beach/LA	BLUE Pasadena	GREEN	Light Rail Vehicle	Summary
Length	4.4 MI.	6.7 MI.	6.3 MI.			22 MI.		20 MI.	—	59.4 MI.
Number of Stations	5	8	3			22		14	52 cars	52 stas.
Technology	Heavy Rail	Heavy Rail	Heavy Rail			Light Rail		Light Rail	Light Rail	—
MTA Approved Opening Date	Jan 1993	Wilshire Jul 1996 Vermont May 1999	May 2000			July 1990		August 1995	Final Car Delivery Aug 1999	Final Completion May 2000
Design Status	Completed	100.0%	95.3%	Project suspended	Project suspended	Completed	Project suspended	Completed	Based on Milestones 98%	3 of 6 complt.
Construction Status	Completed	97.0%	72.2%	Project suspended	Project suspended	Completed	Project suspended	99%	Based on Milestones 60%	3 of 6 complt.
Expenditures to Date (in mil.)	\$1438	\$1530	\$834	\$13	\$127	\$860	\$229	\$673	\$109	\$5813
MTA Approved Budget (in mil.)	\$1450	\$1739	\$1314	Project suspended	Project suspended	\$877	Project suspended	\$712	\$258	\$6350
Federal Funding	48%	44%	62%			0%		0%	33%	31%
State/Local Funding	52%	56%	38%			100%		100%	67%	69%

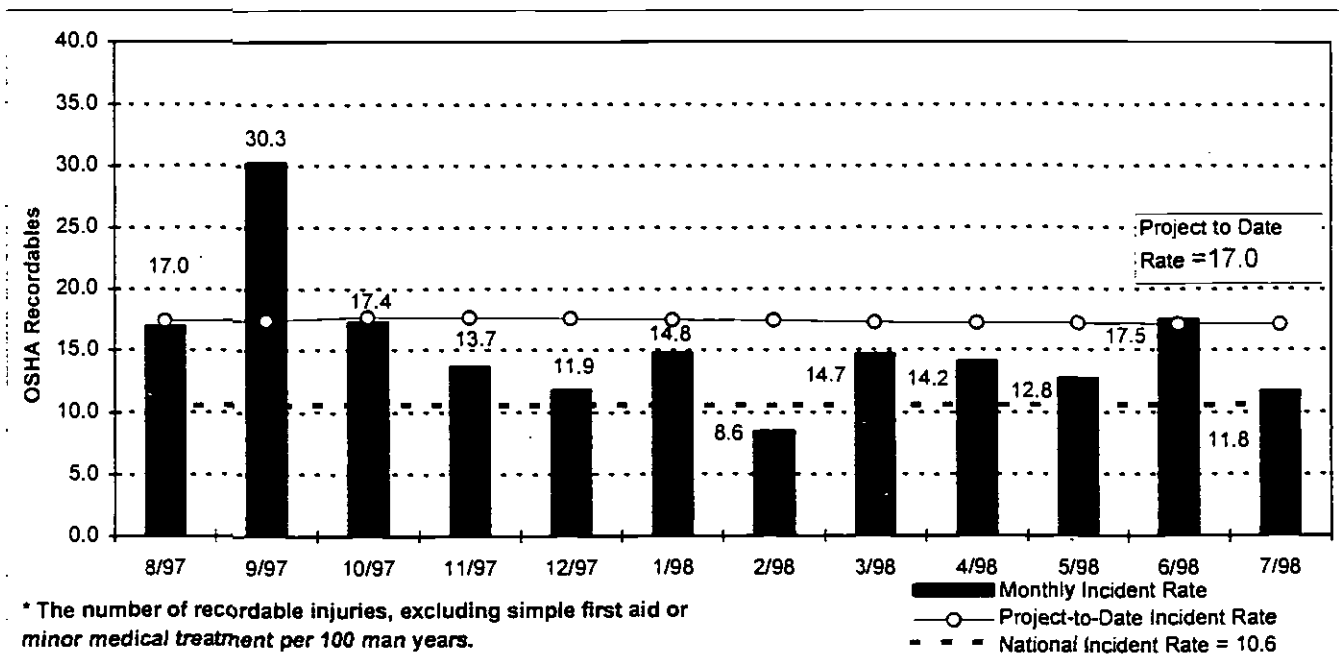
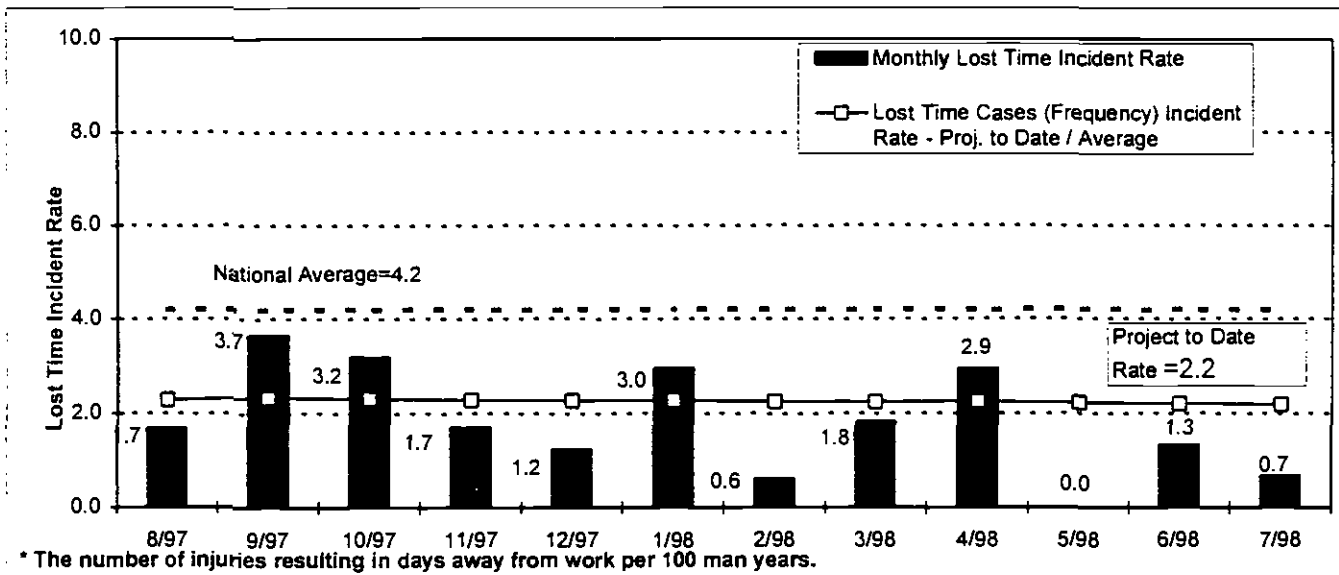
METROPOLITAN TRANSPORTATION AUTHORITY
FUNDING SOURCES (IN MILLIONS)

AUGUST 1998

	METRO BLUE LINE	METRO GREEN LINE	METRO RED SEGMENT 1	METRO RED SEGMENT 2	METRO RED SEGMENT 3 - NH	METRO RED SEGMENT 3 - MC	METRO RED SEGMENT 3 - ES	PASADENA BLUE LINE	LIGHT RAIL VEHICLE	TOTAL PROGRAM	%
ORIGINAL SCOPE:											
FTA SECTION 3			606.3	887.0	881.0					1863.3	31
FTA - OTHER											
ISTEA - FED SURFACE TRANSIT PROG				62.1	67.8				78.2	188.1	3
FED ISTEA RSTP/MAQ					80.8				8.1	88.7	1
FTA SECTION 8			80.8							80.8	1
STATE		106.9	210.3	133.0	265.1				18.4	730.7	12
STATE TSM MATCH					13.2					13.2	0
SB 1995 TRUST FUND					68.7					68.7	1
PROPOSITION A	877.2	205.1	178.5	504.3						1768.1	28
PROPOSITION C		385.3			68.3				158.9	610.5	10
PROP C (AMERICAN DISABILITY ACT)		8.0								8.0	0
CITY OF LOS ANGELES			34.0	88.0	80.1					220.1	4
BENEFIT ASSESSMENT			130.3							130.3	2
COST OVERRUN ACCOUNT			200.1	181.4						381.5	6
APPROVED BUDGET	877.2	712.3	1450.1	1843.8	1310.8				257.8	6251.8	99
CURRENT FORECAST	877.2	718.3	1439.0	1869.5	1310.8				201.4	6214.2	
ADDITIONAL LOCALLY FUNDED ACTIVITIES:											
PROP C (ARTWORK)					2.7					2.7	0
PROP C (NON REV. CONNECTION)					0.3					0.3	0
COST OVERRUN ACCOUNT				24.6						24.6	0
PROP C (TRANSIT ENHANCEMENTS)				68.0						68.0	1
PRIVATE FUNDS (KIASER HOSPITAL)				4.4						4.4	0
APPROVED BUDGET	0.0	0.0	0.0	95.0	3.0			0.0	0.0	98.0	1
CURRENT FORECAST	0.0	0.0	0.0	89.3	31.9			0.0	0.0	101.2	



Safety Summary Status



METRO RED LINE SEGMENT 2 Rail Program Status Summary Period Ending - August 28, 1998



PROJECT DESCRIPTION

Metro Red Line Segment 2 is a continuation of the Segment 1 system and consists of the design, construction, testing and startup operations for 6.63 miles of a two-track rapid transit line, all in subway, with eight stations, three double crossovers and one pocket track.

SCHEDULE PROGRESS

	Expended (in \$ Mil.)	Percent Complete
DESIGN		
Monthly Progress	\$ 0.6	0.6 %
Prior Cumulative Prog.	169.2	99.4
Cumulative Progress	169.8	100.0
CONSTRUCTION		
Monthly Progress	\$3.0	0.3 %
Prior Cumulative Prog.	990.0	96.7
Cumulative Progress	993.0	97.0
OTHER Cost Elements	\$367.5	
TOTAL	\$ 1530.3	

STATUS OF FUNDS BY SOURCE (in \$ mil.)

Source	Total Funds Anticipated (in \$ mil.)	Total Funds Available (in \$ mil.)	Expend.
FTA - Section 3	\$522.4	\$522.4	\$522.4
FTA - Sect 3 Defer. Local	144.6	144.6	144.6
FED ISTEA STP (State)	52.1	52.1	52.1
State of California	133.0	133.0	133.0
Proposition A	504.3	504.3	451.0
City of Los Angeles	96.0	96.0	94.2
Benefit Assessment Dist	0.0	0.0	0.0
Benefit Assess. Shortfall	0.0	25.4	25.4
Cost Overrun Account	191.4	82.1	56.0
TOTAL	\$1643.8	\$1559.9	\$1478.7
ADDITIONAL LOCALLY FUNDED ACTIVITIES			
Prop C Transit Enhance	66.0	51.6	51.6
Cost Overrun Account	24.6	0.0	0.0
Private Funds Kaiser Hos	4.4	0.0	0.0
TOTAL	\$95.0	\$51.6	\$51.6

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$1049.9	\$1052.1
Professional Services	463.3	466.6
Real Estate	83.7	84.7
Utility Force Account	30.4	28.4
Special Programs	2.5	2.5
Contingency	39.9	36.5
Project Revenue	(1.3)	(1.3)
TOTAL ORIGINAL SCOPE	\$1668.4	\$1669.5

	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$70.4	\$69.3

SCHEDULE STATUS

REVENUE OPERATIONS DATE: May 1999

The Project Office is forecasting a five (5) day slip from the approved ROD of May 29, 1999. In addition, the schedule indicates an eleven (11) day slip to the completion of construction targeted for February 27, 1999.

CURRENT ACTIVITIES / ISSUES

The Project Office is focusing attention on issuing a change order to the Vermont/Sunset Contractor for the Kaiser Entrance as well as resolving critical time issues with systemwide contractors.

METRO RED LINE SEGMENT 3 NO. HOLLYWOOD

Rail Program Status Summary

Period Ending - August 28, 1998



PROJECT DESCRIPTION

The North Hollywood Extension includes three stations and extends 6.7 miles northwest from the terminus of Segment 2 at Hollywood/Vine to a new terminus at North Hollywood station. Two intermediate stations, one at Hollywood/Highland and another at Universal City, complete this extension.

SCHEDULE PROGRESS

	Expended (in \$ Mil.)	Percent Complete
DESIGN		
Monthly Progress	\$ 0.0	0.2 %
Prior Cumulative Prog.	73.2	95.1
Cumulative Progress	73.2	95.3
CONSTRUCTION		
Monthly Progress	\$ 0.0	1.8 %
Prior Cumulative Prog.	541.3	70.4
Cumulative Progress	541.3	72.2
OTHER Cost Elements	\$219.2	
TOTAL	\$ 833.7	

STATUS OF FUNDS BY SOURCE (in \$ mil.)

Source	Total Funds Anticipated (in \$ mil.)	Total Funds Available (in \$ mil.)	Expend.
FTA - Section 3	\$544.8	\$347.0	\$389.3
FTA - Sect 3 Defer. Local	136.2	86.7	97.3
FED ISTEA STP (State)	57.8	57.8	50.0
FED ISTEA STP/CMAQ	71.4	53.0	69.5
FED ISTEA RSTP Defer	9.2	6.9	9.0
SB 1995 Trust Fund	66.7	66.7	66.7
State SHA/Article XIX	66.9	40.9	20.9
State Proposition 116	57.1	57.1	25.0
State TSM Match	13.2	10.5	13.2
State CTIP	141.1	0.0	0.0
City of Los Angeles	90.1	55.5	55.5
Proposition C	56.3	72.6	36.9
Benefit Assessment Dist	0.0	0.0	0.0
TOTAL	\$1310.8	\$854.7	\$833.3
ADDITIONAL LOCALLY FUNDED ACTIVITIES			
Prop C (Artwork)	2.7	0.6	0.4
Prop C (Non-Rev Connect)	0.3	0.0	0.0
TOTAL	\$3.0	\$0.6	\$0.4

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$824.7	\$859.8
Professional Services	300.8	309.8
Real Estate	89.0	86.3
Utility Force Account	26.3	26.6
Special Programs	0.0	0.0
Contingency	69.6	25.7
Project Reserve	0.4	2.6
Project Revenue	0.0	0.0
TOTAL ORIGINAL SCOPE	\$1310.8	\$1310.8
	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$3.0	\$31.9

SCHEDULE STATUS

REVENUE OPERATIONS DATE: May 2000

Although the FTA FFGA stipulates project completion on December 12, 2000, the current forecast completion date is May 17, 2000 which is also the planned target date.

CURRENT ACTIVITIES / ISSUES

The project is forecasting a \$28.9 m overrun to the current budget due to increased agency overhead costs.

METRO RED LINE SEGMENT 2

EXECUTIVE SUMMARY

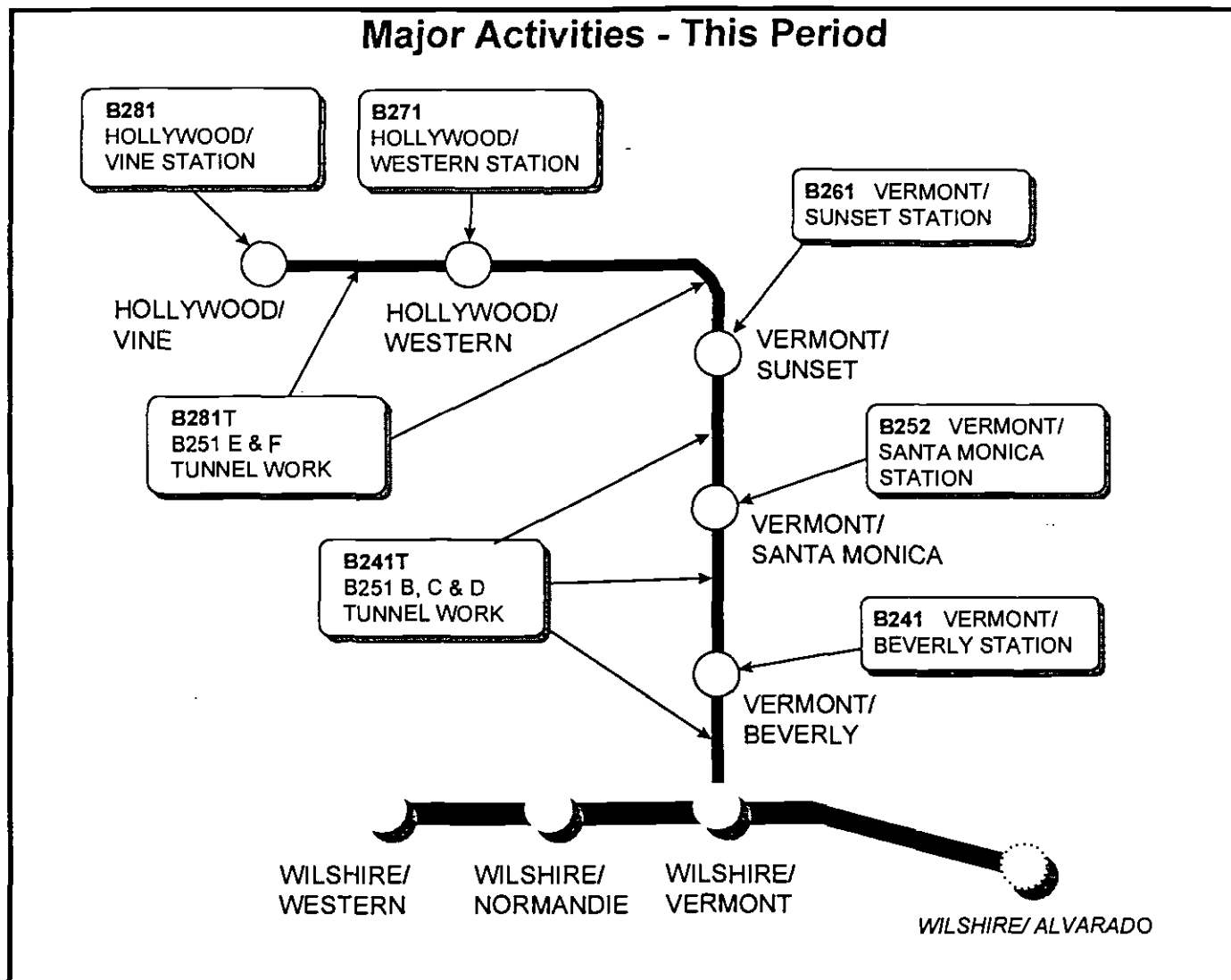
METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL (ATC) INSTALLATION: Completed operational tests at Wilshire/Vermont turnout and Hollywood/Vine Station.

B631, TRACTION POWER: The Contractor has completed traction power section proving test at the Vermont/Beverly and Vermont/Sunset stations.

B641, RADIO: Channel R5 is completed and available for full-time use by the follow-on contractors and system integration team.

B645, TRACS: Continued incorporating engineering changes and Factory Acceptance Test (FAT).

B646, FIRE AND EMERGENCY MANAGEMENT (F&EM): Completed Post Installation Inspection (PII) and F&EM Local Field Acceptance Test (LFAT) at Hollywood/Vine Station. Continued engineering changes/preparation for Hollywood/Western and Vermont/Beverly stations.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



B648B, COMMUNICATION INSTALLATION:

Continued work at all stations except Vermont/Sunset Station and supported system integration testing at Hollywood/Vine Station.

B710, ELEVATOR/ESCALATOR: The Contractor is continuing the installation at all stations.

B740/B745, AIR HANDLING/VENTILATION:

Continued installation at Vermont/Sunset Station. Beneficial occupancy of the B745 equipment at Hollywood/Western Station occurred on August 28, 1998.

FACILITY ACTIVITIES

B241 VERMONT/BEVERLY STATION: Continued final street restoration activities. Testing of electrical and mechanical equipment approached completion. Rockwork artwork installation continued. The Contractor has achieved 10 liquidated damage milestones to date. The Contract is 99.5% complete.

B252 VERMONT/SANTA MONICA STATION: North entrance plaza work approached completion. Completed station air balance, final inspection of street lighting and traffic signals. Continued punchlist work. The Contractor has achieved 14 liquidated damage milestones to date. The Contract is 99.9% complete.

B261 VERMONT/SUNSET STATION: Continued concreting the station appendages. Continued electrical and mechanical installations, primarily in the north end of the station. Continued equipment testing at the south end of the station. Flood damage repair work was substantially completed. Continued interior finish work. MTA staff continued to negotiate with the Contractor to build the Kaiser Entrance as a change to the B261 contract. The Contractor has achieved 6 liquidated damage milestones to date. The Contract is 95% complete.

B271 HOLLYWOOD/WESTERN STATION: Testing of electrical and mechanical equipment in the station approached completion, and final preparations were completed for air balance. Continued placing gravel and rock in the plaza landscape area. Continued punchlist work. The Contractor has achieved 12

liquidated damage milestones to date. The Contract is 98.2% complete.

B281 HOLLYWOOD/VINE STATION: Completed installing the entrance illuminated handrail. Continued punchlist work. The Contractor has achieved 13 liquidated damage milestones to date. The Contract is 98.1% complete.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Quality Assurance

SYSTEMWIDE AND FACILITIES

SURVEILLANCES

Number	Contract	Date	Scope	No. QARs
S98-171P	B710	8/14/98	Elevator and Escalator Grounding	
S98-184P	B710	8/31/98	NDE Inspection Records	
S98-185P	All	8/31/98	Verification Test Records	
S98-186P	All	8/31/98	Smith-Emery Test Lab	

AUDITS

No audits were performed this report period.

QARs CLOSED

Number	Contract	Date Closed	Scope
A97-18-02	B610	8/21/98	NDE on Trackwork

QAR RESPONSES DUE

Number	Contract	Date Issued	Scope
A95-2-15-02	B241	9/9/98	As-Builts
S96-145P-01	B241	9/9/98	RE Verification Testing
S96-147P-01	B241	9/9/98	Current Status Drawings
A97-004-04	B241	9/9/98	RE Verification Testing
A97-004-05	B241	9/9/98	Drawing procedure not approved
A97-004-10	B241	9/9/98	Unauthorized welding on rebar
A97-004-19	B241	9/9/98	NDE records incorrect. NDE lab not audited.
A97-002-03	B241,261 252, 281	11/3/97	NDE incomplete
S97-159-01	B71	5/31/98	Backfills Soils Testing
A96-032-01	ALL	11/15/97	Twining Lab - NDE Procedures
A96-032-02	ALL	11/15/97	Twining Lab - Qualification Records
A96-032-03	ALL	11/15/97	Twining Lab - NDE Examinations
A96-032-04	ALL	11/15/97	Twining Lab - NDT Level III Qual
A96-032-05	ALL	11/15/97	Twining Lab - UT Test Equipment
A96-032-06	ALL	11/15/97	Twining Lab - MT Testing
A96-032-07	ALL	11/15/97	Twining Lab - NDE Testing Person
A96-032-08	ALL	11/15/97	Twining Lab - PD/JMA MT Testing

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



A96-032-09	ALL	11/15/97	Twining Lab - PD/JMA UT Testing
A96-034-07	ALL	11/15/97	Twining Lab - Smith-Emery - No CCRL

AUDITS & SURVEILLANCES

DESIGN

No activity during this period.

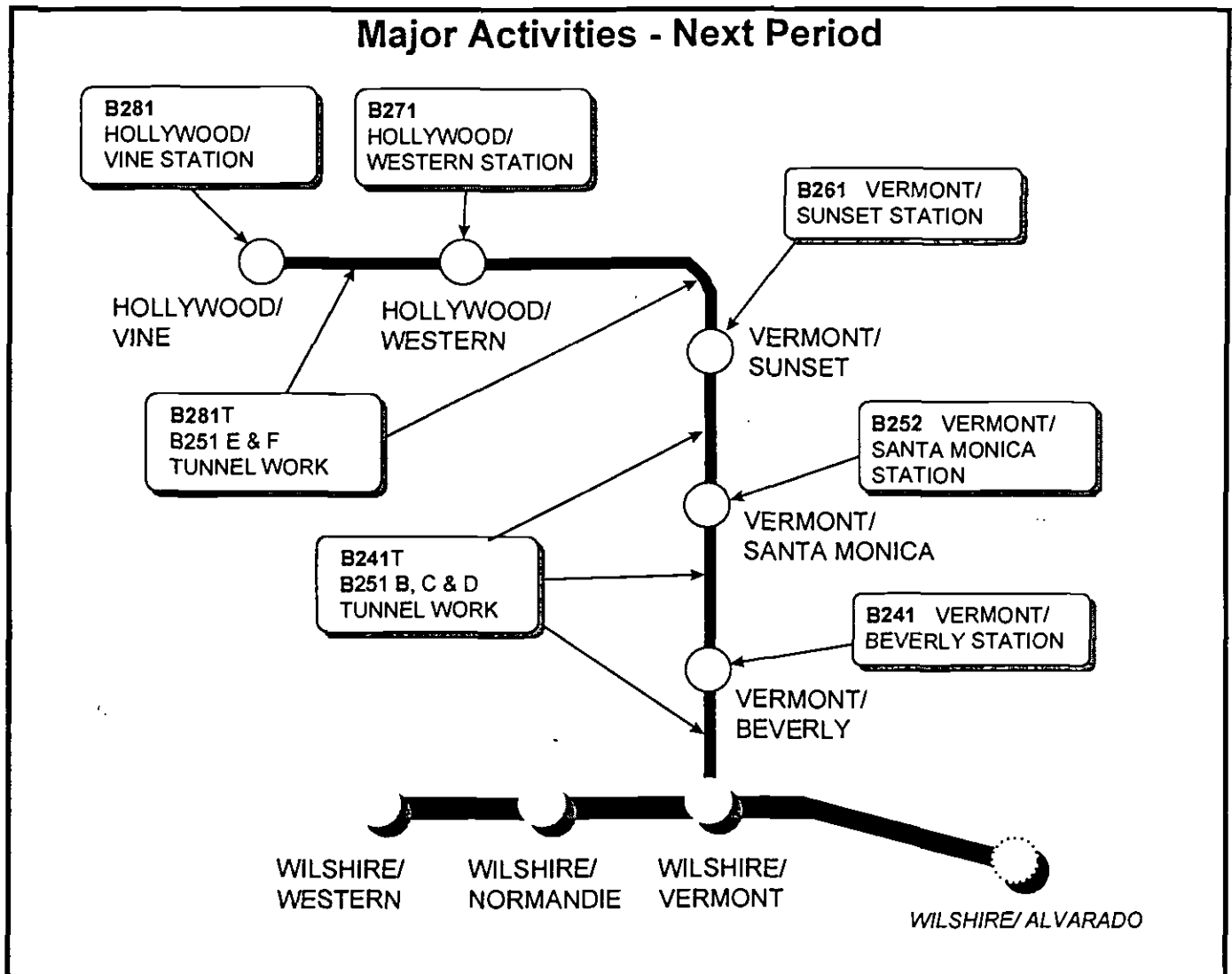
METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL (ATC) INSTALLATION: Continue operational testing and scheduled to start dynamic testing on September 14, 1998.

B631, TRACTION POWER: Complete the Wilshire/Vermont section proving test and the punchlist items for the trackway between Vermont/Sunset and Wilshire/Vermont stations. Energize the rail and begin red tag procedure.

B641, RADIO: Continue with antenna cable installation on a limited basis at Vermont/Sunset Station.

B644S, FIBER OPTIC AND CABLE TRANSMISSION: The Contractor is scheduled to perform installation verification, LFAT (Local Field Acceptance Test) and systemwide Factory Acceptance Test (FAT) at Hollywood/Western and Hollywood/Vine starting on September 2, 1998.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



B645, TRACS: Start the remote terminal units (RTU) LFAT for the remaining stations with exception of Vermont/Sunset Station.

B646, FIRE AND EMERGENCY MANAGEMENT (F&EM): Complete Change Notice 83 for Hollywood/Western and Vermont/Beverly stations and start PII and F&EM LFAT at Hollywood/Western Station.

B648B, COMMUNICATION INSTALLATION: Complete closed circuit television (CCTV), FAT and delivery for installation. Complete public address (PA) installation for post installation inspection (PII) and LFAT at Vermont/Santa Monica, Hollywood/Western, and Hollywood/Vine stations.

B710, ELEVATOR/ESCALATOR: Substantially complete Hollywood/Vine Station and continue the installation at other stations.

B740/B745, AIR HANDLING/VENTILATION: Complete installation at Vermont/Sunset Station, ready for testing once the permanent power is available.

FACILITY ACTIVITIES

B241 VERMONT/BEVERLY STATION: Complete testing electrical and mechanical equipment and complete preparations for air balance. Continue installing rockwork artwork. Continue punchlist work.

B252 VERMONT/SANTA MONICA STATION: Complete punchlist work. Achieve substantial completion.

B261 VERMONT/SUNSET STATION: Continue installing electrical/mechanical equipment and wiring, primarily in the north end of the station. Continue testing station equipment, street restoration, and concreting station appendages. Continue installing finishes. Issue a Notice-to-Proceed for the Kaiser Entrance or temporary ventilation work.

B271 HOLLYWOOD/WESTERN STATION: Begin air balance. Continue street restoration work. Continue punchlist work.

B281 HOLLYWOOD/VINE STATION: Continue interior station finish and punchlist work.

METRO RED LINE Segment 2
Monthly Project Status Report
Period ending—August 1998



Budget/Forecast Variance
Original Scope Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	AUGUST CHANGE IN FORECAST
CONSTRUCTION	\$1,049.9	\$1,052.1	\$2.3	\$2.5
PROFESSIONAL SERVICES	\$441.1	\$444.9	\$3.8	(\$21.7)
REAL ESTATE	\$83.7	\$84.7	\$1.0	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$30.4	\$28.4	(\$2.0)	(\$1.0)
SPECIAL PROGRAMS	\$2.5	\$2.5	0.0	\$0.0
PROJECT CONTINGENCY	\$39.9	\$34.9	(\$5.1)	(\$3.0)
PROJECT REVENUE	(\$1.3)	(\$1.3)	\$0.0	\$0.0
TOTAL PROJECT	\$1,646.2	\$1,646.2	\$0.0	(\$23.2)

Budget/Forecast Variance Analysis
Original Scope Activities

Due to rounding, some values may differ from Cost Management System (CMS) values.

Expenditures to date for Original Scope are \$1,478.7 million or 90.0% of current total forecast.

Commitments to date for Original Scope are \$1,536.3 million or 93.5% of current total forecast.

The Current Project Forecast decreased \$23.2 million.

Construction increased \$2.5 million due to:

- B252 (Vermont/Santa Monica Station) increased \$1.3 million due to increase in potential claims.
- B281T (Tunnel Repair) increased \$0.8 million due to backfill of Barnsdall shaft.
- B645 (Tracks) increased \$0.1M due to potential acceleration.
- B648B (Vermont/Hollywood Corridor Communication Installation) increased \$0.3M due to potential acceleration for early ROD.

Professional services decreased \$21.7 million due to:

- Agency forecast: \$21.7 million transfer to Additionally Locally Funded Activities. The MTA has revised the allocation of additional overhead to the project in excess of the budget plan. The forecast decreased by \$21.7 million due to a transfer of the potential overrun to the Additionally Locally Funded Activity work scope of the project, which represents cost elements added to the project after Board approval of the project scope.

Utility Force account decreased \$1.0 million due to:

- FO102 DWP Closed Work Orders

Contingency decreased \$3 million due to:

- Offset changes as noted above.
- To cover transfer of the Kaiser Entrance from Original Scope Activities to Additional Locally Funded Activities.
- To reflect an allocation of a portion of the Board-approved total contingency for Additional Locally Funded Activities' scope.

METRO RED LINE Segment 2
Monthly Project Status Report
Period ending—August 1998



Budget/Forecast Variance
Additional Locally Funded Activities
(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	AUGUST CHANGE IN FORECAST
CONSTRUCTION	\$50.9	\$52.2	\$1.3	\$0.5
PROFESSIONAL SERVICES	\$41.7	\$38.8	(\$2.9)	\$21.1
REAL ESTATE	\$0.0	\$0.0	\$0.0	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$0.0	\$0.0	\$0.0	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.0	\$0.0	\$0.0
PROJECT CONTINGENCY	\$0.0	\$1.6	\$1.6	\$1.6
PROJECT REVENUE	\$0.0	\$1.6	\$1.6	\$0.0
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$92.6	\$92.6	\$0.0	\$23.2

Budget/Forecast Variance Analysis
Additional Locally Funded Activities

Due to rounding, some values may differ from Cost Management System (CMS) values.

Expenditures to date for Additionally Locally Funded Activities are \$51.6 million or 54.3% of current total forecast.

Commitments to date for Additionally Locally Funded Activities are \$68.0 million or 71.2% of current total forecast.

The project forecast increased by \$23.2 million.

Construction increased \$.5 million. Kaiser Entrance B263 increased due to potential acceleration costs.

Professional Services increased \$21.1 million due to:

Agency forecast:

- \$600,000 decrease due to acceleration of construction completion.
- \$21.7 million transfer to Additionally Locally Funded Activities. The MTA has revised the allocation of additional overhead to the project in excess of the budget plan. The forecast increased by \$21.7 million due to a transfer of the potential overrun to the Additionally Locally Funded Activity work scope of the project, which represents cost elements, added to the project after Board approval of the project scope.

Contingency increased \$1.6 million to reflect an allocation of a portion of the Board-approved contingency for Additional Locally Funded Activities' scope.

CONTRACT/LINE ITEM VARIANCE

CONTRACT VARIANCE: (Current Forecast differs from Current Budget by 10% or more, and Current Budget is \$50 million or more.)

Contract B261

Current Budget:	\$62,059,699
Forecast:	\$53,206,929
Variance:	(\$8,852,770)
Percent Variance:	(14.3%)

The B261 current budget includes funds for the change order authorizing the second station entrance at the Kaiser Hospital. This construction will be tracked separately from base B261 contract scope; presently the contract unit to be used, B263, has forecast of \$9,532,770. A PBCR will be processed to transfer the budget.

LINE ITEM VARIANCE: (Current Forecast differs from Current Budget by 10% or more for the Line Item Total). No items to report this period.

METRO RED LINE Segment 2

Monthly Project Status Report

Period ending--August 1998



STATUS OF FUNDS BY SOURCE

(\$ Millions)

Source	Original Budget	Total Funds Anticipated	Total Funds Available	Commitments \$	Commitments %	Expenditures \$	Expenditures %	Bill to Source \$	Bill to Source %
Original Scope									
FTA-Section 3	\$667,000	\$522,396	\$522,396	\$522,396	100%	\$522,396	100%	\$522,396	100%
FTA-Section 3 Deferred Local Share	\$0	\$144,604	\$144,604	\$144,604	100%	\$144,604	100%	\$144,604	100%
FED ISTEA STP (State)	\$0	\$52,100	\$52,100	\$52,100	100%	\$52,100	100%	\$52,100	100%
State	\$185,985	\$133,029	\$133,029	\$133,029	100%	\$133,029	100%	\$133,029	100%
Proposition A	\$439,447	\$504,299	\$504,299	\$504,299	100%	\$451,001	89%	\$451,001	89%
City of Los Angeles	\$96,000	\$96,000	\$96,000	\$96,000	100%	\$94,170	98%	\$94,170	98%
Benefit Assessment	\$58,000	\$0	\$0	\$0	0%	\$0	0%	\$0	0%
Benefit Assessment Shortfall	\$0	\$0	\$25,400	\$25,400	0%	\$25,400	0%	\$25,400	0%
Cost Overrun Account	\$0	\$193,749	\$82,063	\$76,446	40%	\$56,003	29%	\$56,003	29%
Total Original Scope	\$1,446,432	\$1,646,177	\$1,559,891	\$1,554,274	95%	\$1,478,703	90%	\$1,478,703	90%
Other Locally Funded Activities									
Prop C (Transit Enhancements)	\$0	\$65,968	\$51,604	\$55,003	83%	\$51,604	78%	\$51,604	78%
Cost Overrun Account	\$0	\$22,190	\$0	\$0	0%	\$0	0%	\$0	0%
Private Funds (Kaiser Hospital)	\$0	\$4,434	\$0	\$0	0%	\$0	0%	\$0	0%
Total Other Locally Funded Activities	\$0	\$92,592	\$51,604	\$55,003	58%	\$51,604	54%	\$51,604	54%

Status Of Funds By Source Analysis

Status Of Funds Anticipated

ISTEA RSTP

In December 1997, MTA submitted a grant application for \$2.528 million. Grant application has been withdrawn.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending -August 1998



BENEFIT ASSESSMENT

No funds are expected to be available until fiscal year 2003.

COST OVERRUN ACCOUNT

The CAPRA account cash balance as of July 31, 1998 is \$25,067.864.

The revised budget growth is funded as follows:

CAPRA: \$21.6M

Prop A: \$194.3M

FISCAL YEAR 1999 BUDGET

The approved budget is 86.0M with funding to be provided by the following sources:

City of Los Angeles: \$1.9M

Prop A 35% Rail Bond: \$84.1M (will also be used to fund part of the Cost Overrun Account)

FUTURE FUNDING NEEDS

Future funding needs have been incorporated into the MTA long range transportation plan based on projected cash flow expenditures.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Schedule - Vermont/Hollywood Corridor

	Current Status	Change from Last Month
Current ROD	May 1999	none
Design Progress	100.0%	none
Critical Path Float	-11 days	-11 days
Construction Progress	97.0%	+0.3%

Current Critical Path Analysis

This period, the Project Office is measuring float against a partial February 27, 1999 ROD, which does not include an operating TRACS system and the fully operational system May 29, 1999 ROD approved by the MTA Board of Directors.

Primary Critical Path [-11 calendar days]

The scope of work associated with the B646 contractor, fire and emergency management (F&EM), represents a delay of 11 calendar days to the partial ROD of February 27, 1999.

This path slipped 19 calendar days this period due to contractor delays in completing Change Notice 83, which involves engineering design of the F&EM software at the Hollywood/Western station. This work is critical because it is followed by LFAT and systems integrated testing at the Hollywood/Western, Vermont/Beverly and Vermont/Sunset stations, leading to pre-revenue operations.

Secondary Critical Path [-6 calendar days]

Completion of electrical/mechanical installations, and testing at the Vermont/Sunset Station, followed by air balance, punchlist and final completion of the station represents a delay of six calendar days to the partial ROD of February 27, 1999.

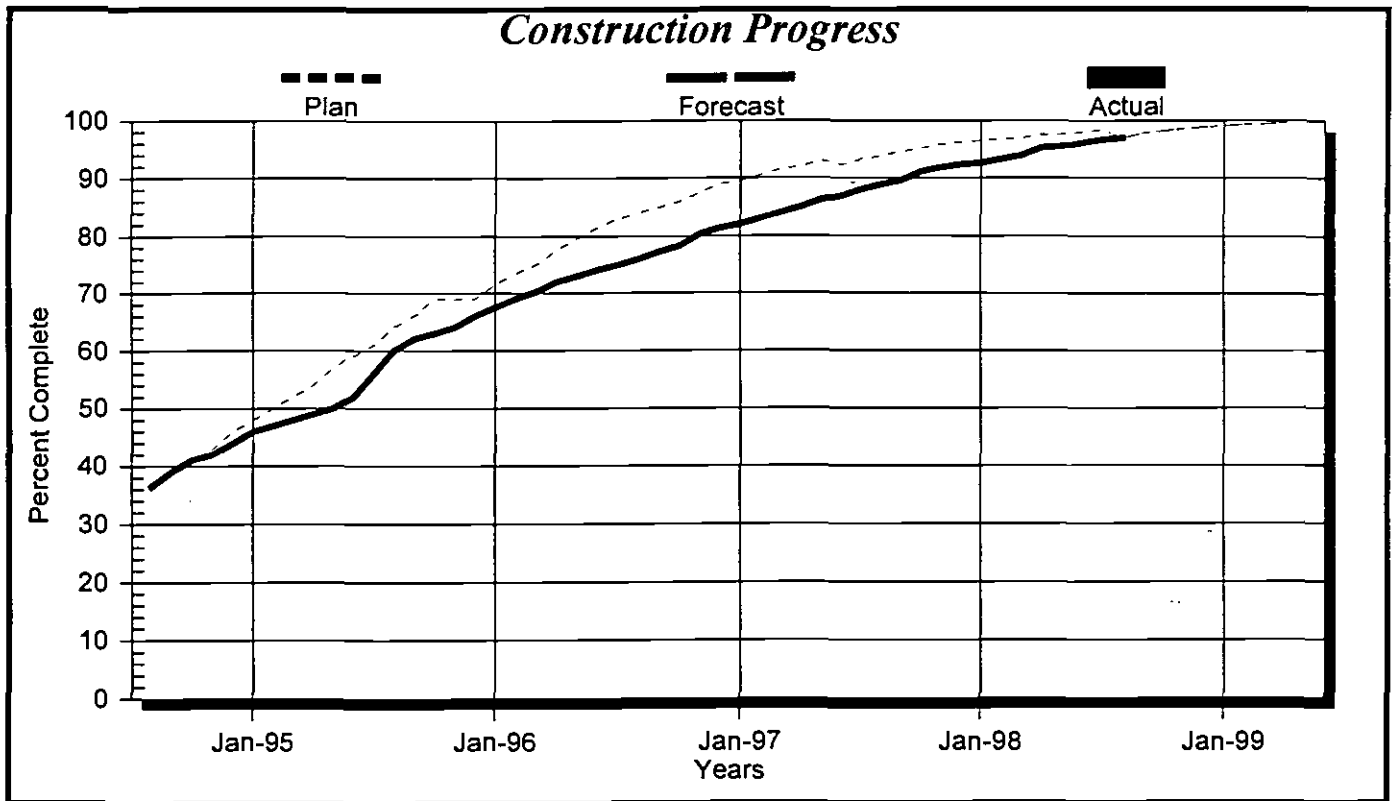
Tertiary Critical Path [-5 calendar days]

The completion of factory acceptance testing (FAT) for B645, Transit Automatic Controls (TRACS) and SCADA systems represents a delay of five calendar days to the May 29, 1999 ROD. Completion of the interface test will be followed by the start of Phase II systems integration testing at the Vermont Santa/Monica station.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Construction Progress Analysis

The project physical progress measurement (PPM) cumulative actual to date is 97%.

The plan progress curve was adjusted to reflect the revised baseline plan for the May 1999 ROD.

The plan versus actual physical progress variance continues to be maintained or improved every month. This is due largely to the following factors:

- The dollar value of delayed work on the critical path is relatively small compared to noncritical work, which continues to progress.
- All the five stations, and many other major contracts, have plan values of 100% because each is beyond its contract completion date. As progress continues on these contracts, the plan versus actual variance continues to decrease.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	18.1	-0.1
Lost Time Rate (Freq.)		
National Average	4.2	
Project Rate (Cum.)	2.5	none

Recordable Injury Rate: The number of recorded injuries excluding simple first aid or minor medical treatment, per 100 man years.

Lost Time Incident Rate: The number of injuries resulting in days away from work, per 100 man years.

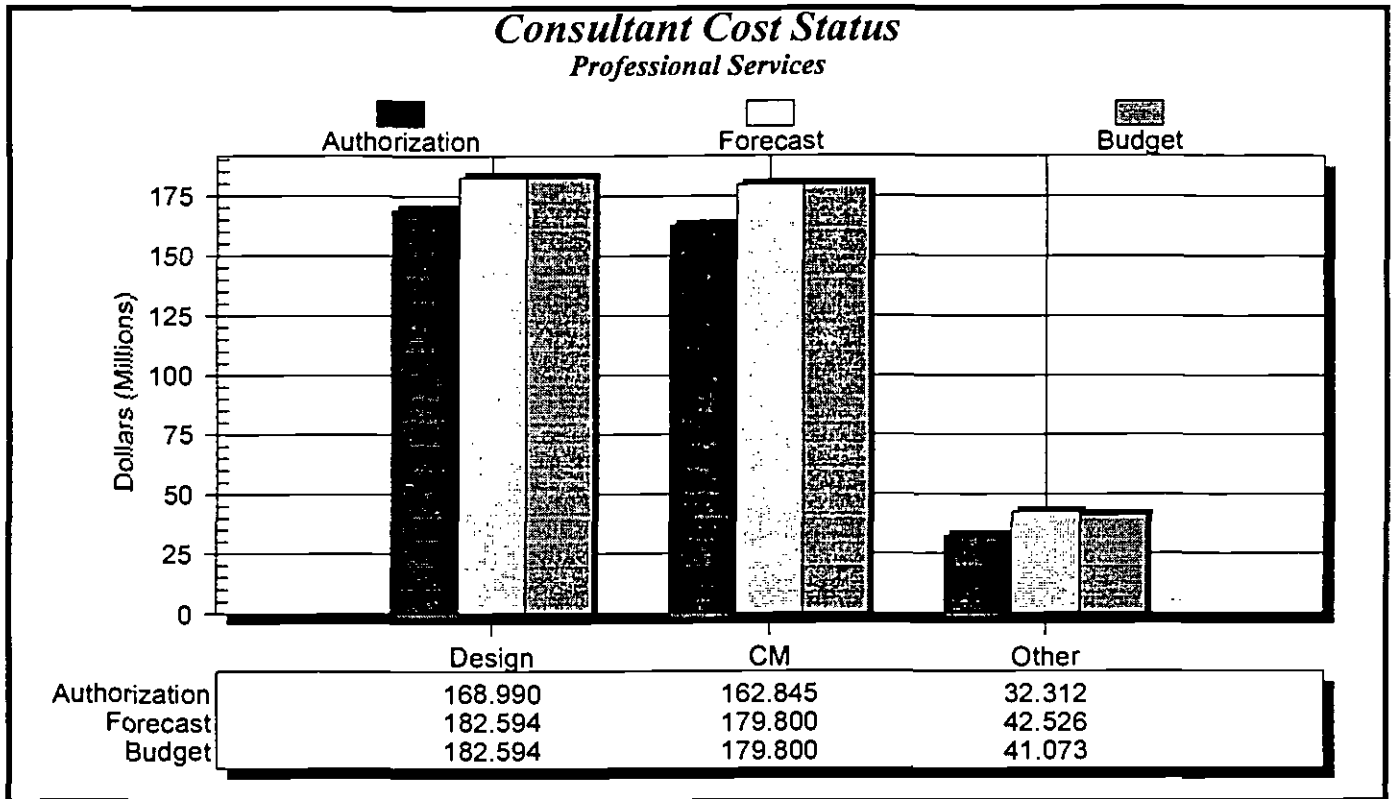
Construction Safety Summary

- The Project-to-Date Lost Time Injury Rate is 2.5. This rate is below the 1995 National Average of 4.2.
- The project is currently completing over 70,000 work hours each month and has produced almost 13,000,000 work hours to date without a fatal injury.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Professional Services Cost Analysis

There were changes to the Design Services, Construction Management, and other Professional Services forecasts.

Design Services

The forecast remained unchanged.

Construction Management Services

The forecast remained unchanged. CM services may change as a result of rebaselining of the staffing plan for project delays.

Other Professional Services

The forecast decreased by approximately \$0.1 million in August due to a decrease for CM002 configuration management for ROD change.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Management Issues

NEW

Item (Initiated August 1998)

Fire and Emergency Management System (B646) Engineering Submittal

Concern/Impact

Delay on the Change Notice 83 engineering design submittal for B271 station has impacted the F&EM (Fire and Emergency Management) Local Field Acceptance Test (LFAT) and the ROD. The project activities (completion of Change Notice 83 submittal, EMC review and field implementation by B648B, followed by F&EM LFAT, and the start of phase one system integration test at B271 station) constitutes the most critical path for achieving the February 1999 partial ROD.

Status/Action

The Contractor anticipates submitting its subcontractor's engineering design on 9/8/98 for EMC review. Upon approval of the design, the B648B contractor can install the required equipment associated with this change. Management will continue closely monitoring the status and preventing further delay.

ONGOING

Item (Initiated July 1998)

Revenue Operations Potential Prior to May 29, 1999

Concern/Impact

The Project Office was asked to evaluate all the potential options to open the Vermont/Hollywood Corridor as early as February 1999 without the Transit Automatic Control (TRACS) and SCADA systems fully operational.

Status/Action

The staff evaluated the feasibility of an early ROD and initiated a cost and schedule analysis. In August 1998, staff briefed MTA upper management on details of feasibility and reviewed the minimal requirements and associated cost impacts to support a February 1999 ROD. MTA construction accepted the plan and forwarded the recommendation to upper management for approval and implementation. The Project Office is proceeding to progress work associated with the partial ROD.

ONGOING

Item (Initiated December 1997)

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



Vermont/Sunset Station (B261) -- Delays to station electrical and mechanical work, including water damage to the electrical equipment

Concern/Impact

Delays to station electrical/mechanical installation, which is followed by station functional testing and overall integrated testing, has placed this work near the critical path to the Segment 2 Revenue Operations Date.

Status/Action

Slow progress resulted from the Contractor's lack of manpower during the months of May and June, but the negative trend began to be reversed in July, with the increased in mechanical work manpower from approximately three to eight people.

The MTA has reached a tentative agreement with Tutor-Saliba to return in a phased release the liquidated damages amount withheld to date on the B261 contract (without MTA waiving its rights to the money) in return for Tutor-Saliba completing mechanical/electrical equipment installation and station functional testing by November 30, 1998. Tutor-Saliba submitted a schedule to meet the November 30 date, which was approved as noted with resubmittal required. There was a two-week slip against this schedule in August and the Contractor's ability to complete testing by November 30 remains an area of concern.

ONGOING

Item (Initiated February 1998)

B263, Vermont/Sunset Kaiser Entrance Award and Notice to Proceed (NTP)

Concern/Impact

The critical schedule issue is that a vent structure needs to be constructed at the Vermont/Sunset Station, prior to revenue operations, which will allow smoke exhaust and ancillary fans to be exhausted into a combined shaft to the surface. Upon completion of this vent structure, the airflow within the station can be tested, and project staff can then seek approval from the Fire/Life/Safety Committee for a beneficial occupancy permit, allowing the station to be used for revenue service. The plan is to have the vent structure built as part of the Kaiser entrance by the successful B263 Kaiser entrance contractor.

Status/Action

On May 21, 1998, the MTA Board of Directors directed staff to proceed with negotiating a Change Order with Tutor-Saliba, the B261 (Vermont/Sunset Station) contractor, for the Kaiser Entrance. The Change Order Notice-to-Proceed has been rescheduled for mid-September 1998.

ONGOING

Item (Initiated February 1998)

Unauthorized Labor Charges Originating From Operations Division

Concern/Impact

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - August 1998



During Fiscal Year 1996-1997, the Operations Division charged unauthorized labor to the Construction Division. The unauthorized Operations Labor Charges directed to Metro Red Line Segment 2 specifically have been found to total approximately 20,336 hours or approximately \$1M.

Status/Action

Attempts have been made to disallow these charges to Segment 2 through the appropriate channels. The first attempt was made by memo(s), requesting justification for hours charged, which evoked no response/action from the Operations staff. The second attempt was made using the Labor Information Management System (LIMS). Requests for correction of these charges were submitted in August 1997; to date, however, the Operations staff has refused to accept these disallowances.

A meeting with the Office of Management and Budget recommended that the DEO Project Manager for Segment 2 and the Rail Activation Manager resolve the issues through negotiations. These discussions are continuing.

**METRO RED LINE SEGMENT 3
NORTH HOLLYWOOD EXTENSION
EXECUTIVE SUMMARY**

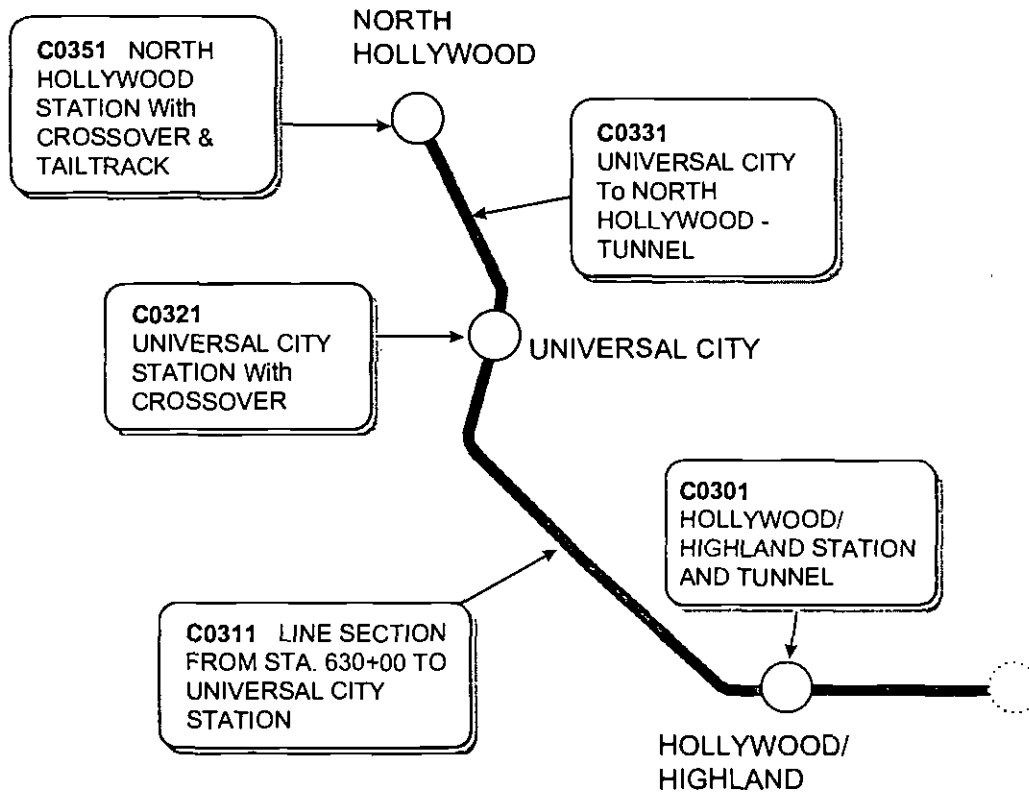
METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

- B620 (Automatic Train Control) contractor accepted C0301 TC&C room with punchlist.
- B630 (Traction Power Substation Equipment) contractor completed delivery of 38 KV switchgear and 750 DC switchgear for TPSS room at C0301 and C0351 stations.
- B646 (Fire and Emergency Management) FDR for C0321 station was submitted to EMC for review.
- C0322 (UCS Pedestrian Undercross) continued with the Final Preliminary Engineering; submitted cost and schedule proposal for Final Design.
- C1326 (UCS Freeway Overcrossing & Access Road) submitted pre-final design package.
- C2326 (LA River Bridge Widening) completed the bid package.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Completed 99% of structural concrete placement
- Completed 96% of high bay ceiling
- Completed 88% of HVAC
- Completed 78% of electrical installation
- Completed 90% of mechanical piping installation
- Met Milestone #17, B620 Automatic Train Control Access at Hollywood/Highland Station on August 6

C0311 LINE SECTION FROM STATION 630+00 TO UNIVERSAL CITY:

- Completed 91% of AR invert to Seismic Section
- Resumed AR/AL running tunnel arch pour; 68% and 53% complete, respectively
- AR/AL running tunnel invert to Seismic Section; overall 91% and 93% complete
- Completed concrete invert pours at track level rooms
- Installed electrical conduits and fixtures in AR/AL for 30% and 10% complete, respectively

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



- Completed standpipe in both AR and AL tunnel between La Brea Shaft and Hollywood/Highland Station
- Met Milestone #11, Turnover AR Tunnel between Hollywood/Vine Station and La Brea Shafts, on August 26

C0321 UNIVERSAL CITY STATION:

- Completed Blast Relief Shaft #1 and Fresh Air Intake #1
- Installed stainless steel elevator enclosure # 1 in the entrance
- Continued with wire terminations in the South auxiliary power room
- Installed the 34.5 KV DWP electrical ductbank over the entrance roof slab
- Installed wall tile in the mezzanine area of lifts 3, 7, 8, and lower entrance area
- Installed CMU walls, GFRC panels, and HVAC ducting
- Gave access to the B710 Elevators/Escalators contractor at station platform

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Removed shoring at MVS
- Started backfilling MVS
- Started installing permanent utilities at MVS

C0351 N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL:

- Completed metal wall panels
- Started metal ceiling
- Continued wire pulling to electrical equipment
- Continued backfill of station
- Continued utility restoration
- Continued backfill at entrance

C0610 TRACKWORK INSTALLATION:

- Completed plinth concrete from C0351 to C0321 in C0331 AR/AL tunnels
- Completed line, gauge and grade track; contact rail pedestals substantially completed in C0351 AR and AL tail/pocket track
- Start line, gauge and grade track at C0351 crossover
- Poured AL track plinth at C0321 station and special and standard track plinth poured at crossover
- Received access to AR tunnel; layout and survey underway

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Quality Assurance

AUDITS & SURVEILLANCES

SURVEILLANCES

Number, Contract, Scope, Date, No. QARs

S98-175P, C0331, Anchor Systems Submittal, 8/21/98

S98-180P, C0331, Fire Protection System Pressure Test, 8/27/98

S98-154, C1326, Design Review, 101 Fwy Overcrossing, Universal City, 8/3/98

S98-155, C1326, Design Review, 101 Fwy Overcrossing, Universal City, 8/3/98

S98-172, C2326, Design Review, LA River Bridge Widening, Lankershim Bl., 8/19/98

S98-181P, C0331, Concrete Testing, 8/27/98, 1

AUDITS

Number, Contract, Scope, Date, No. QARs

No Activity

QAR RESPONSES DUE

Number, Contract, Scope, Date Issued

S97-221P-01, C0331, Nonconformance Reports, 9/10/98

A98-008-02, C0331, As-Built Documents, 6/20/98

A98-008-03, C0331, CWPs, 6/20/98

A96-006-01, C0351, Material Control/Traceability, 12/30/97

A98-013-01, C0351, Document Control of Submittals, 5/8/98

A98-013-02, C0351, As-Built Documents not Complete, 5/8/98

A98-013-03, C0351, Suspension of Work Notices, 5/8/98

A98-013-04, C0351, CWP for M&TE, 5/8/98

S98-099P-01, C0351, Fabricating Concrete Samples for Testing, 8/31/98

S98-123P-01, C0351, Calibration of Compaction Test Equipment, 8/12/98

S98-123P-02, C0351, Test Lab Personnel Qualifications, 8/12/98

DESIGN

MTA QM completed surveillances of the 95% design submittal package of Contract C1326 (Freeway Overcrossing and Road at Universal City site). The results of the surveillances were unsatisfactory. The design progress of the submittal was not at the 95% completion level. Specifically, the technical coordination both internal and external to EMC had not been effectively accomplished.

MTA QM completed a surveillance of the Camera Ready submittal of the design package for Contract C2326 (LA River Bridge widening at Lankershim Blvd.). The results were satisfactory.

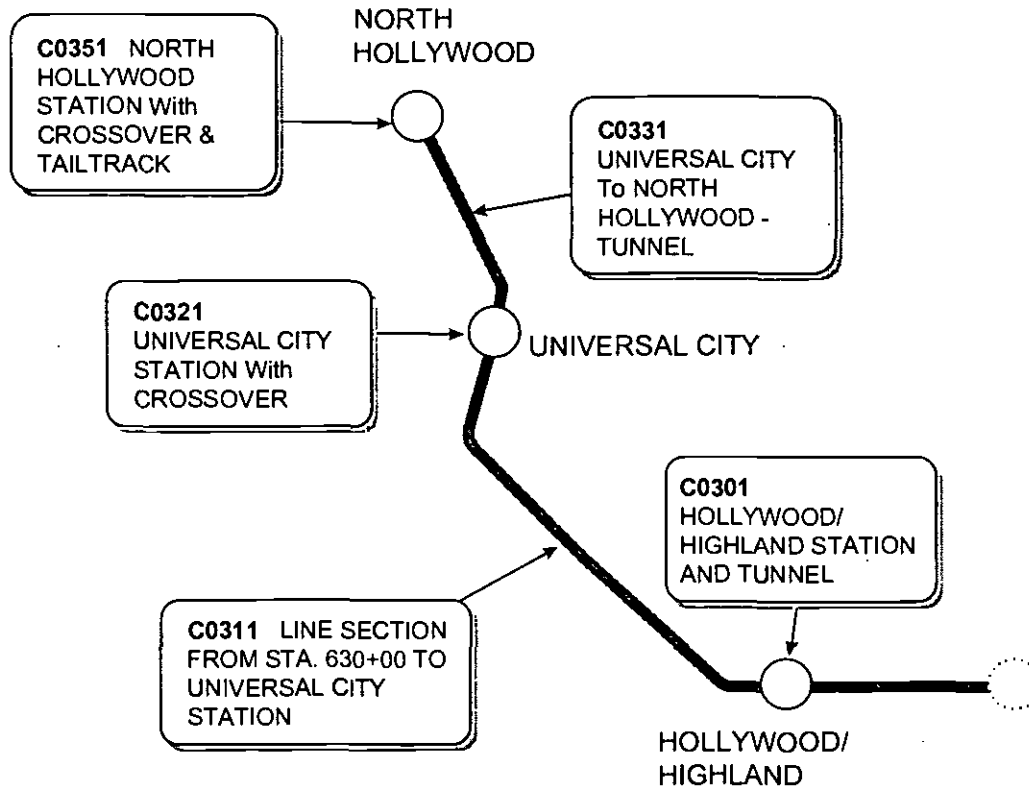
METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

- B630 (Traction Power Substation Equipment) contractor plans to deliver the traction power equipment for Mid Vent Structure in September.
- B641 (Radio System) contractor is incorporating the review comments, the final design is expected to be completed by the end of September.
- B642 (Public Address) PA equipment factory acceptance test is scheduled on September 9-10, 1998.
- B646 (Fire and Emergency Management) approve C0-29 for design technical update and splitting hardware/software delivery.
- B710 (Escalators and Elevators) the contractor plans to commence delivery to C0321 station on August 29, 1998.
- B795 (Uninterruptible Power Supply) contractor continues factory testing of UPS equipment for

C0331 Mid Vent Structure with delivery on September 17, 1998.

- C0322 (UCS Pedestrian Undercross) submit Preliminary Engineering and begin Final Design.
- C1326 (UCS Freeway Overcrossing & Access Road) submit 100% Final Design.
- H0123 (Variable Message Signs) participate in pre-bid meeting.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Complete 97% of high bay ceiling
- Complete 89% of HVAC
- Complete 80% of electrical installation
- Complete 92% of mechanical piping installation
- Complete Milestones #8 and #9, Hollywood/Highland Station B710 (Escalators & Elevators) Access

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



C0311 LINE SECTION FROM STATION 630+00 TO UNIVERSAL CITY:

- Continue AR and AL running tunnel arch rebar and concrete pours toward Special Seismic Section
- Complete invert pours in the AR and AL tunnels from Seismic Section to La Brea
- Complete Milestone #12, Turnover of AL Tunnel between Hollywood/Vine Station and La Brea Shafts
- Commence work on concrete pours for track level rooms exterior walls and arch
- Continue standpipe and electrical conduit installation in running tunnels from North Access Shaft to track level rooms
- Start cable tray installation in both tunnels from the NAS

- Layout and install special trackwork, line, gauge, and grade special and standard trackwork; start pedestal work at C0321 crossover
- Complete survey, deliver material and rail, install temporary track and start concrete plinth at C0301

C0321 UNIVERSAL CITY STATION:

- Place concrete in Fresh Air Intake #3 & #5 exterior walls and roof
- Drill and place emergency stairway #11.1 soldier piles by Universal Place
- Install elevator enclosure #3 in the south entrance area
- Install architectural finish-related items in the entrance upper passageway
- Perform electrical testing procedures with temporary power

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Start street restoration
- Access for B620 contractor to MVS
- Access for H0631 contractor to MVS

C0351 N. HOLLYWOOD STATION W/CROSSOVER & TAILTRACK COMPL:

- Start Lankershim street restoration
- Start metal ceiling at entrance
- Install emergency exit hatches
- Install edge pavers

C1610 TRACKWORK INSTALLATION:

- Complete work for High Rail Access Milestone #2 due September 20th at C0351 AR tailtrack, AR tunnel at the station and at C0331 AR Tunnel
- Continue work on pedestals, bonded, welded joints, and final alignment at C0351 AL tail/pocket track, AL tunnel at the station and 351 crossover
- Continue line, gauge, and grade, bridging beams and pedestal installation at C0331 AL/tunnel
- Continue line, gauge, grade in the AL alignment and begin pedestal work in both alignments at C0321 AR/AL station

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Budget/Forecast Variance

Original Scope Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	August Change in Forecast
PROJECT RESERVE	\$0.4	\$2.6	\$2.3	\$0.0
CONSTRUCTION	\$824.7	\$859.8	\$35.1	\$0.0
PROFESSIONAL SERVICES	\$300.8	\$309.8	\$9.0	(\$30.1)
REAL ESTATE	\$89.0	\$86.3	(\$2.8)	\$0.0
UTILITY/AGENCY FORCE ACCOUNTS	\$26.3	\$26.6	\$0.3	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.0	\$0.0	\$0.0
PROJECT CONTINGENCY	\$69.6	\$25.8	(\$43.8)	(\$0.1)
PROJECT REVENUE	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL PROJECT	\$1,310.8	\$1,310.8	\$0.0	(\$30.2)

Budget/Forecast Variance Analysis

Original Scope Activities

Total Original Scope Expenditures through June 1998: \$829.8 million (July 1998 information not available)*

Total Original Scope Commitments through August 1998: \$1,046.8 million

The Current Budget total remains unchanged at \$1,310.8 million. The Current Forecast total has decreased this period to \$1,310.8 million due to the following forecast changes:

Contract C1610 (Trackwork Installation) - Forecast decreased by \$14K primarily due to less than anticipated cost to pave access ramp.

Contract CM002 (LKG-CMC Configuration Management Support Services) - Forecast increased by \$0.2 million to reflect the establishment of a new contract to provide additional configuration management support through FY99.

Contract S019 (MTA Project Admin.) - The MTA has revised the allocation of additional overhead to the project in excess of the budget plan. The forecast decreased by \$30.2 million due to a transfer of this potential overrun to the "Additionally Locally Funded Activity" workscope of the project, which represents cost elements, added to the project after Board approval of project scope. Project Contingency is not impacted by this forecast decrease.

Project Contingency - Forecast decreased \$0.1million due to the above mentioned forecast changes excluding Contract S019.

The August 1998 Planned Project Contingency is \$37.7 million; the Actual Project Contingency is \$25.8 million. The variance of \$11.9 million between the planned and the actual contingency is due to allocations to several construction and professional services contracts.

*No change to the previously reported FIS figures due to fiscal year closeout processing issues.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Contract Variance (Current Forecast Differs from Current Budget by 10% or more and Current Budget is \$50 Million or more):

***Contract B251 - Tunnel Segment Hollywood/Vine to Rock Interface (603+00)**

Current Budget: \$60,500,000
Forecast: \$44,859,587
Variance: (\$15,640,413)
% Variance: (25.9%)

Mitigation: The Current Budget was updated through PBCR #3 which allocated additional budget to the contract for original contract delays, grouting, work resequencing and potential claims as a result of the tunnel settlement and termination of the SKK contractor. The forecast reflects the last known information prior to the sinkhole and street settlement. The contractor has been terminated and ongoing litigation between MTA, PD and SKK will result in significant claims and insurance damages. Since the attorney client confidentiality prevents PD from disclosing a possible claim exposure figure, the forecast will remain unchanged until public filings are made.

***Contract C0301 - Hollywood/Highland Station**

Current Budget: \$73,991,000
Forecast: \$81,935,382
Variance: \$7,944,382
%Variance: 10.7%

Mitigation: The Current Budget reflects the anticipated cost of the physical workscope of the contract. The variance as reported in the forecast is largely comprised of potential change growth and allocated contingency to address outstanding claim exposure. The JMA Construction Management field office staff is actively evaluating delay mitigation measures which comprise a large portion of the variance.

***Contract C0331 - Tunnels from UC City Stn to NH Stn**

Current Budget: \$98,628,200
Forecast: \$116,397,995
Variance: \$17,769,795
%Variance: 18.0%

Mitigation: The Current Budget reflects the anticipated cost of the physical work scope of the contract. The variance as reported in the forecast is largely comprised of potential change growth and allocated contingency to address outstanding claim exposure. The PD Construction Management field office has a claims evaluation team assessing the contractor submittals to identify areas of claim mitigation.

***Contract C0351 - North Hollywood Station**

Current Budget: \$83,742,000
Forecast: \$71,748,199
Variance: (\$11,993,801)
%Variance: (14.3%)

Mitigation: The Current Budget reflects the final engineer's estimate prior to contract award. Forecast is less than the budget due to contract bid coming in at a lower than anticipated value.

Line Item Variance (Current Forecast Differs From Current Budget by 10% or more for The Line Item Total)

***Line 03 - Hazardous Material Handling**

Current Budget: \$15,058,000
Forecast: \$5,177,718
Variance: (\$9,880,282)
%Variance: (65.6%)

Mitigation: The Current Budget reflects the conservative scenario presented by MTA Environmental based on the limited information available at the inception of the North Hollywood Project. Forecast is less than the budget due to less than anticipated contaminated soil encountered to date. A budget forecast reconciliation is in process which will align the estimated final costs once hazardous material handling is significantly complete.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



*Line 07 - Systemwide Equipment

Current Budget: \$46,051,000

Forecast: \$54,472,423

Variance: \$8,421,423

%Variance: 18.3%

Mitigation: The forecast variance of \$8.4M is largely due to a number of contracts with significant changes in workscope, delay claim exposure and additional escalation costs including design updates, labor and overhead issues, economic price adjustments and contract contingency adjustments.

*Line 08 - Trackwork

Current Budget: \$25,526,000

Forecast: \$33,545,657

Variance: \$8,019,657

%Variance: 31.4%

Mitigation: Contract C1610, Trackwork Installation, is contributing \$7.9M of the total variance of \$8.0M. The variance is due to the necessary addition of installation, operation and maintenance of the temporary ventilation system and sump pumps, operation and maintenance of the La Brea and North Access shafts, and constructing a sound wall for the C1610 yard work at North Hollywood. These changes were necessary to coordinate the overall system ventilation, provide more effective access through the Access Shafts, and to satisfy environmental requirements not initially budgeted. There is no potential to recover this variance.

*Line 09 - Testing and Pre Revenue Operations

Current Budget: \$7,715,000

Forecast: \$9,296,000

Variance: \$1,581,000

%Variance: 20.5%

Mitigation: The Current Budget reflects the original Project Control assessment of testing and pre-revenue operational requirements established in 1993. The forecast has been re-evaluated to include areas of potential cost exposure related to delay mitigation/acceleration. Project staff is implementing mitigation measures by concentrating on reducing direct labor charges to the project and comprehensively re-examining the proposed staffing levels required for the impacted Operations division which will service this aspect of the project.

*Notes no change from prior period.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Budget/Forecast Variance

Additional Locally Funded Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	August Change in Forecast
CONSTRUCTION	\$1.9	\$0.2	(\$1.7)	\$0.0
PROFESSIONAL SERVICES	\$0.7	\$30.8	\$30.1	\$30.2
UTILITY/AGENCY FORCE ACCOUNTS	\$0.0	\$0.0	\$0.0	\$0.0
SPECIAL PROGRAMS	\$0.0	\$0.9	\$0.9	\$0.0
PROJECT CONTINGENCY	\$0.4	\$0.0	(\$0.4)	\$0.0
PROJECT REVENUE	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$3.0	\$31.9	\$28.8	\$30.2

Budget/Forecast Variance Analysis

Additional Locally Funded Activities

Total ALFA Expenditures through June 1998: \$3.9 million (July 1998 information not available)*

Total ALFA Commitments through August 1998: \$4.5 million

"Additional Locally Funded Activities" (ALFA) are defined as work scope not originally covered under the FFGA such as Station Artwork, Hollywood Boulevard Settlement, Non Revenue Connector, etc. The Current Budget contains approximately \$3.0 million in ALFA categories under the Construction, Professional Services and Contingency elements.

Contract S019 (MTA Project Admin.) - The MTA has revised the allocation of additional overhead to the project in excess of the budget plan. The forecast increased by \$30.2 million due to a transfer of this potential overrun to the "Additionally Locally Funded Activity" workscope of the project, which represents cost elements, added to the project after Board approval of project scope.

*No change to the previously reported FIS figures due to fiscal year closeout processing issues.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending – August 1998



STATUS OF FUNDS ANTICIPATED

- FTA SECTION 3:** MTA submitted a grant application for \$37,393,664 of Section 3 Funds in March 1998 for the North Hollywood Project. Grant approval is expected by October 1998.
- FTA SECTION 9
FED ISTEA/CMAQ:** Grant award was approved on August 27, 1997 for FY 96 CMAQ \$20 million for the East Side Project. Funds will not be available for drawdown until FTA approves the MTA Rail Recovery Plan (expected in August 1998). MTA submitted a grant application on March 31, 1998 for \$20.6 million of CMAQ funds to be allocated to the North Hollywood Project. Approval is expected in October 1998.
- FTA SECTION 9
FED ISTEA/STP:** Grant award for \$75 million of STP funds was approved on August 27, 1997. Funds are now available for drawdown with the exception of \$25 million allocated to the Eastside Project. These funds will be available for drawdown only when FTA approves the MTA Rail Recovery Plan (expected in August 1998). MTA submitted a request to CTC to reprogram STP funds initially earmarked for LA Rail Car Project to the North Hollywood Project for a total of \$7.8 million. CTC approved MTA request on March 31, 1998.
- STATE PROP 116:** MTA submitted on April 8, 1997 a grant application and an allocation request to the CTC for \$15 million of Prop. 116 Rail Bond Funds. Funds will now be allocated against the North Hollywood Project instead of the Eastern Extension Project. MTA requested the CTC to take action for transferring the funds. Funds were allocated on March 31, 1998. MTA submitted a Prop. 116 application to transfer allocation of funds from LA Rail Car Project to the North Hollywood Project for a total of \$17.1 million. CTC approval was granted on March 31, 1998.
- STATE SHA:** MTA submitted on June 27, 1997 an allocation request to the CTC for \$20 million of State Highway Account (SHA) funds for the North Hollywood Project. Approval was obtained in February 1998. On May 5, 1998, the CTC approved \$26 million of State SHA for the North Hollywood Project. The fund transfer agreement was executed in July 1998.
- CITY OF LA:** A fund transfer agreement was executed on July 24, 1997 for a total amount of \$200 million. The first installment totaling \$55.4 million has been drawdown.
- BENEFIT
ASSESSMENT:** Funds are no longer expected due to passage of Prop. 218 (Right to Vote on Tax Initiatives).

AUGUST 1998

STATUS OF FUNDS BY SOURCE

SOURCE	(A) ORIGINAL BUDGET	(B) TOTAL FUNDS ANTICIPATED (1)	(C) TOTAL FUNDS AVAILABLE	(D) COMMITMENTS \$	(D/B) %	(E) EXPENDITURES \$	(E/B) %	(F) BILLED TO FUNDING SOURCE \$	(F/B) %
ORIGINAL SCOPE:									
FTA-SECTION 3	\$681.037	\$544.830	\$346.998	\$544.830	100%	\$389.303	71%	\$346.998	64%
FTA-SECTION 3 DEFERRED LOCAL SHARE		\$136.207	\$86.749	\$136.207	100%	\$97.325	71%	\$86.749	64%
FED ISTEA STP (STATE)	\$0.000	\$57.800 (5)	\$57.800	\$50.000	87%	\$50.000	87%	\$50.000	87%
FED ISTEA STP/CMAQ (REGIONAL)	\$25.000	\$71.358	\$53.037	\$69.483	97%	\$69.483	97%	\$53.037	74%
FED ISTEA RSTP DEFERRED LOCAL SHARE		\$9.245	\$6.871	\$9.002	97%	\$9.002	97%	\$6.871	74%
SB 1995 TRUST FUND	\$53.000	\$66.686	\$66.686 (2)	\$66.686	100%	\$66.686	100%	\$66.686	100%
STATE SHA/ARTICLE XIX	\$115.000	\$66.855	\$40.855	\$38.307	57%	\$20.855	31%	\$20.855	31%
STATE PROP 116	\$0.000	\$57.152 (5)	\$57.152	\$25.000	44%	\$25.000	44%	\$25.000	44%
STATE TSM Match	\$0.000	\$13.218	\$10.537	\$13.218	100%	\$13.218	100%	\$10.537	80%
STATE CTIP	\$0.000	\$141.145 (5)	\$0.000	\$4.610	3%	\$0.000	0%	\$0.000	0%
CITY OF LA	\$101.500	\$90.046 (3)	\$55.446	\$55.446	62%	\$55.446	62%	\$55.446	62%
PROP C	\$318.185	\$56.280	\$72.558	\$38.989	66%	\$38.989	66%	\$38.989	66%
BENEFIT ASSESS. DISTRICT	\$17.100	\$0.000 (6)	\$0	\$0	0%	\$0	0%	\$0	0%
TOTAL	\$1,310.822	\$1,310.822	\$854.689 (4)	\$1,049.778	80%	\$833.307	64%	\$759.168	58%
OTHER LOCALLY FUNDED ACTIVITIES:									
PROP C (ARTWORK)	\$0.000	\$2.435	\$0.610	\$1.396	57%	\$0.342	14%	\$0.342	14%
PROP C (NON-REV. CONNECTOR)	\$0.000	\$0.285	\$0.003	\$0.077	27%	\$0.003	1%	\$0.003	1%
TOTAL	\$0.000	\$2.720	\$0.613	\$1.473	54%	\$0.345	13%	\$0.345	13%

FINANCIAL DETAIL
METRO RED LINE NORTH HOLLYWOOD PROJECT
(IN MILLIONS OF DOLLARS)

METRO RED LINE Segment 3 North Hollywood
Monthly Project Status Report
Period Ending – August 1998



(1) Based on Current Budget. Allocation by funding source based on Nov 97 draft funding plan.

(2) Funds available have been reduced by \$7.3M due to usage of interest proceeds to other programs.

(3) Assumes the City of LA will contribute 7% of the total project cost.

(4) When funds available are lower than expenditures, Treasury uses the cash pool account to pay the unfunded balance. Once funds become available, Grant Accounting bills the appropriate funding source and Treasury reimburses the cash pool account.

(5) State CTIP funds (\$65.952M) are being replaced by additional STP funds (\$7.8M transfer from LA Rail Car project), additional State SHA funds (\$4.9M from Del Norte Station project and \$21.1M from LA Rail Car project), and additional Prop 116 funds (\$15M from East Side project & \$17.152M from LA Rail Car project).

(6) Benefit Assessment District funds are no longer expected due to passage of Prop 208 (Right to vote on tax initiatives)

(7) Based on actuals through FY 98 plus FY 99 budget.

NOTE: EXPENDITURES ARE CUMULATIVE THROUGH JULY 1998.

ES-11

METRO RED LINE Segment 3 North Hollywood
Monthly Project Status Report
Period Ending – August 1998



FINANCIAL DETAIL
METRO RED LINE TOTAL SEGMENT 3 PROJECT
(IN MILLIONS OF DOLLARS)

STATUS OF FUNDS BY SOURCE

SOURCE	(A) ORIGINAL BUDGET	(B) TOTAL FUNDS ANTICIPATED	(C) TOTAL FUNDS AVAILABLE	(D) COMMITMENTS \$	(D/B) %	(E) EXPENDITURES \$	(E/B) %	(F) BILLED TO FUNDING SOURCE \$	(F/B) %
ORIGINAL SCOPE:									
FTA-SECTION 3	\$1,317.912	\$1,133.192	\$408.182	\$629.035	56%	\$450.487	40%	\$408.182	36%
FTA-SECTION 3 DEFERRED LOCAL SHARE	\$98.578	\$283.298	\$102.045	\$157.258	56%	\$112.621	40%	\$102.045	36%
FED ISTEA STP (STATE)	\$25.000	\$82.800	\$82.800	\$50.000	60%	\$50.000	60%	\$50.000	60%
FED ISTEA STP/CMAQ (REGIONAL)	\$156.617	\$134.771	\$71.998	\$70.738	52%	\$70.738	52%	\$54.292	40%
FED ISTEA RSTP DEFERRED LOCAL SHARE	\$9.875	\$17.461	\$9.328	\$9.165	52%	\$9.165	52%	\$7.034	40%
SB 1995 TRUST FUND	\$53.000	\$66.686	\$66.686	\$66.686	100%	\$66.686	100%	\$66.686	100%
STATE SHA/ARTICLE XIX	\$165.000	\$106.855	\$40.855	\$38.307	36%	\$20.855	20%	\$20.855	20%
STATE PROP 116	\$87.300	\$57.152	\$57.152	\$25.000	44%	\$25.000	44%	\$25.000	44%
STATE FLEXIBLE CONGESTION RELIEF	\$26.000	\$50.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
STATE TSM Match	\$11.142	\$19.723	\$10.537	\$13.218	67%	\$13.218	67%	\$10.537	53%
STATE CTIP	\$0.000	\$141.145	\$0.000	\$4.610	3%	\$0.000	0%	\$0.000	0%
CITY OF LA	\$136.244	\$163.490	\$55.446	\$55.446	34%	\$55.446	34%	\$55.446	34%
PROP C	\$677.318	\$786.179	\$137.171	\$113.766	14%	\$103.845	13%	\$103.845	13%
BENEF ASSESS. DISTRICT	\$17.100	\$0.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
TOTAL	\$2,781.086	\$3,042.752	\$1,042.200	\$1,233.229	41%	\$978.061	32%	\$903.922	30%
OTHER LOCALLY FUNDED ACTIVITIES:									
PROP C (ARTWORK)	\$0.000	\$2.435	\$0.610	\$1.396	57%	\$0.342	14%	\$0.342	14%
PROP C (NON-REV. CONNECTOR)	\$0.000	\$0.285	\$0.003	\$0.077	27%	\$0.003	1%	\$0.003	1%
TOTAL	\$0.000	\$2.720	\$0.613	\$1.473	54%	\$0.345	13%	\$0.345	13%

(1) BASED ON CURRENT BUDGET

NOTE: EXPENDITURES ARE CUMULATIVE THROUGH JULY 1998.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Schedule

	Current Status	Change from Last Month
Current ROD	May 2000	none
Design Progress	95.3%	+0.5%
Critical Path Float	0 days	none
Construction Progress	72.2%	+1.8%

Current Critical Path Analysis

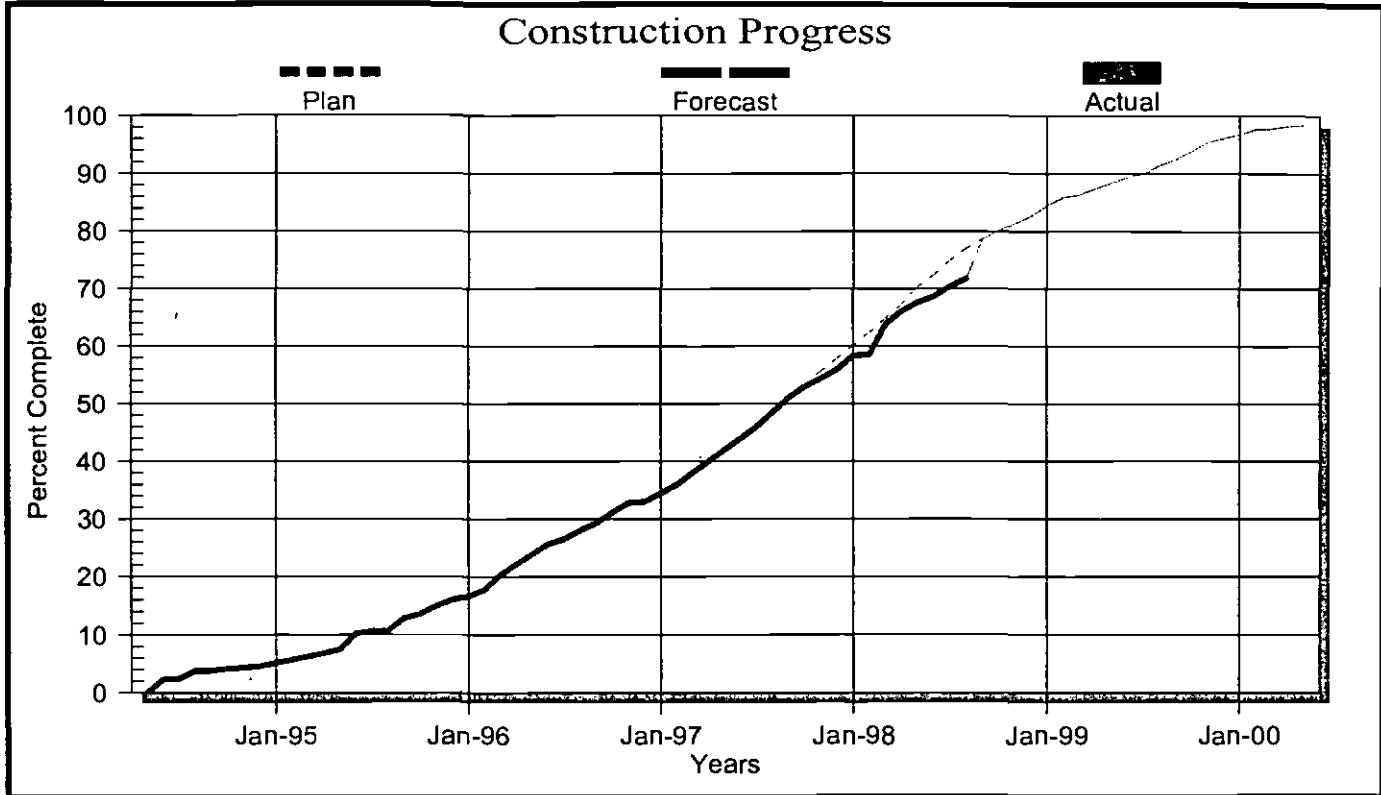
The August 1998 Master Schedule shows the project on schedule. Forecast Revenue Operation date is May 17, 2000. The project critical path runs through C0311 (Line Section under Santa Monica Mountains), C1610 (Trackwork Installation), B620 (Automatic Train Control), and Integration /Testing/Pre-Revenue Operations. The slow progress that has occurred this month in the C0311 tunnel area was offset by removal of remaining schedule contingency.

Focus on the project is shifting from facilities concreting to more complex mechanical, electrical and systems work. To support the overall Program Schedule a plan was developed for Beneficial Occupancy at each station. The first phase of the plan has been successfully completed with H0631 (Traction Power System Installation) contractor mobilized into three stations. Equipment required to provide permanent power to the facilities has been identified and its installation and testing are being closely coordinated. All facilities access dates for systems contracts have been met except for change order work and are forecast on schedule for the next three months.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Construction Progress Analysis

The overall construction progress through August is 72.2% complete.

Contract C0301 (Hollywood/Highland Station) penthouse concrete and roof concrete work was completed at lifts 1-3. Mechanical/electrical equipment installation continues throughout the station and entrance. No impact to ROD.

Contract C0311 (Line Section from University City Station to Station 630+00) late turnover of AL tunnel south of La Brea could impact early access to C1610. Currently, the C0311 contractor is two weeks behind schedule in meeting this milestone. Completed concrete invert pours at track level rooms. Arch concrete is 68% and 53% complete in the AR and AL running tunnels, respectively. Work around studies are being reviewed.

Contract C0321 (Universal City Station) completed Blast Shaft #1 and Fresh Air Intake #1. Access to B710 Elevators/Escalators contractor at station platform was issued. Installed the 34.5 KV DWP electrical ductbank over the entrance roof slab.

Contract C0331 (North Hollywood Tunnel) remaining tunnel work for Milestone #3 completion is punch list and NCR resolution. Mid Vent Shaft electrical is 70% and mechanical is 90% complete. The contractor started backfilling and installing permanent utilities.

Contract C0351 (North Hollywood Station) contractor continues to work a three-shift operation. This three-shift operation will continue for the next month. Metal wall panels are complete in the platform area. System contracts H0631 and DWP are working to meet an October 8, 1998 permanent power date.

METRO RED LINE Segment 3 North Hollywood

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Contract C1610 (Trackwork Installation) contractor continues to work 12-hour days and a 6-day week to mitigate lost time. Late turnover of AL tunnel south of La Brea will impact early access to C1610. Completed AR/AL plinth concrete from C0351 to C0321. Special and Standard Trackwork plinth concrete pour is complete. AL track was poured in the C0321 Station.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	16.5	-0.1
Lost Time Rate (Freq.)		
National Average	4.2	
Project Rate (Cum.)	1.9	none

Recordable Injury Rate: The number of recorded injuries excluding simple first aid or minor medical treatment, per 100 man years.

Lost Time Incident Rate: The number of injuries resulting in days away from work, per 100 man years.

Construction Safety Summary

The project-to-date lost time injury rate is less than one-half the national average of 4.2.

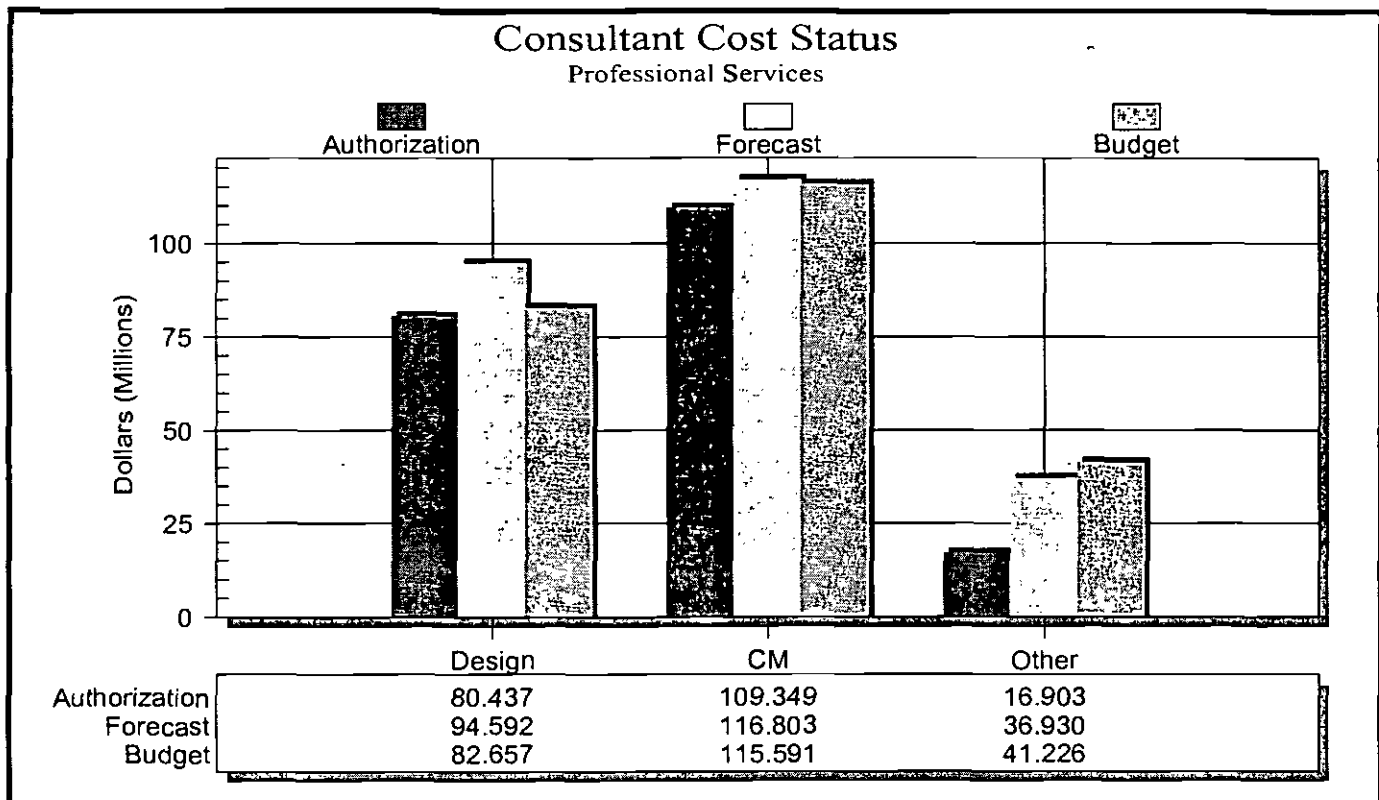
The project is currently completing over 200,000 work hours per month. To date, the project has completed over 6,600,000 work hours.

Statistics reflect injuries through July 1998.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Professional Services Cost Analysis

The authorization for the "Design" and "Construction Management" professional services did not change significantly this period. However, the authorization for "Other" professional services increased to \$16.9 million due to the recognition of processed CWO's for a number of contracts.

The forecast for the "Design" professional services has a significant variance over the budget due to cost exposure related to CWO 72 for "Project Overhead Expense Rate - POER" through project completion. Upon completion of negotiations between MTA Procurement and the EMC, this CWO will be presented to the MTA Board with a corresponding budget adjustment to address the current budget forecast variance.

The forecast for the "Other" professional services has a significant variance over the budget due to a revised assessment of remaining cost exposure and work to go through project completion.

The additional \$20 million in forecast costs above the current authorization is due to pending and potential contract work orders, amendments and other cost exposures identified to date. The impacted services under this category include the following: Configuration Management, Systems Engineering and Analysis, Rail Vehicle Procurement Services, Environmental Services, Project Management Assistance, Legal Services, Construction Support Services, Labor Compliance Monitoring and Security Staffing.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - August 1998



Management Issues

New Item (Date initiated: August 1998)

CONTRACT H0123 - VARIABLE MESSAGE SIGNS

Concern/Impact

The re-procurement of Contract H0123 will impact the forecast ROD of May 17, 2000, if the notice to proceed (NTP) to the contractor is delayed beyond March 1, 1999.

Status/Action

The bid documents are planned to be available to bidders by September 16, 1998. MTA Board approval is expected by December, thereby issuing an NTP no later than January 1999 is achievable.

Ongoing Item (Date initiated: June 1998)

TRIZECHAHN AND MTA JOINT DEVELOPMENT AT HOLLYWOOD/HIGHLAND STATION

Concern/Impact

TrizecHahn Centers (THC), a land developer, is finalizing plans to construct an entertainment/retail center on and around the C0301 Hollywood/Highland Station. The center is scheduled for completion in the last quarter in 2000. Demolition started 7/28/98 and there will be impact on the final construction of the station. Areas affected will be: the modified construction access and laydown area for the contractor, Tutor-Saliba Perini (TSP), and follow-on systems contractors; the demolition of part of the blast relief shaft (BRS) and construction of a THC designed BRS; the demolition of the 12-story building at the northwest corner of Hollywood Boulevard and Highland Avenue; the demolition of the Holiday Inn parking structure; and, the shoring and excavation adjacent to MTA facilities.

Status/Action

THC and MTA have entered into a memorandum of understanding for the joint development. As such, it will be tracked as a separate project and MTA has already identified prior labor charges that are eligible for reimbursement by THC. The final Joint Development Agreement has been proposed and stated within are the required completion dates for the blast relief shaft (BRS) and portal entrance. If THC completes the work by these dates then there should be no impacts to the project completing by the forecast ROD of May 17, 2000. However, THC has not made progress on reaching an agreement with Tutor for the BRS modification which may result in delays.

Ongoing Item (Date initiated: March 1998)

PROJECT AGENCY COST FORECAST

Concern/Impact

The project agency forecast cost at completion will potentially exceed the budget by \$30 million. This is due to revised allocation of MTA overhead to the project.

Status/Action

The project team is attempting to mitigate this potential cost impact by focusing on staffing charges allocated to the North Hollywood Project. Additionally, the MTA Project Management team has produced a draft Board report to address this potential overrun. Lastly, professional service consulting contract requirements are being reassessed and revised to reduce overall manpower costs.