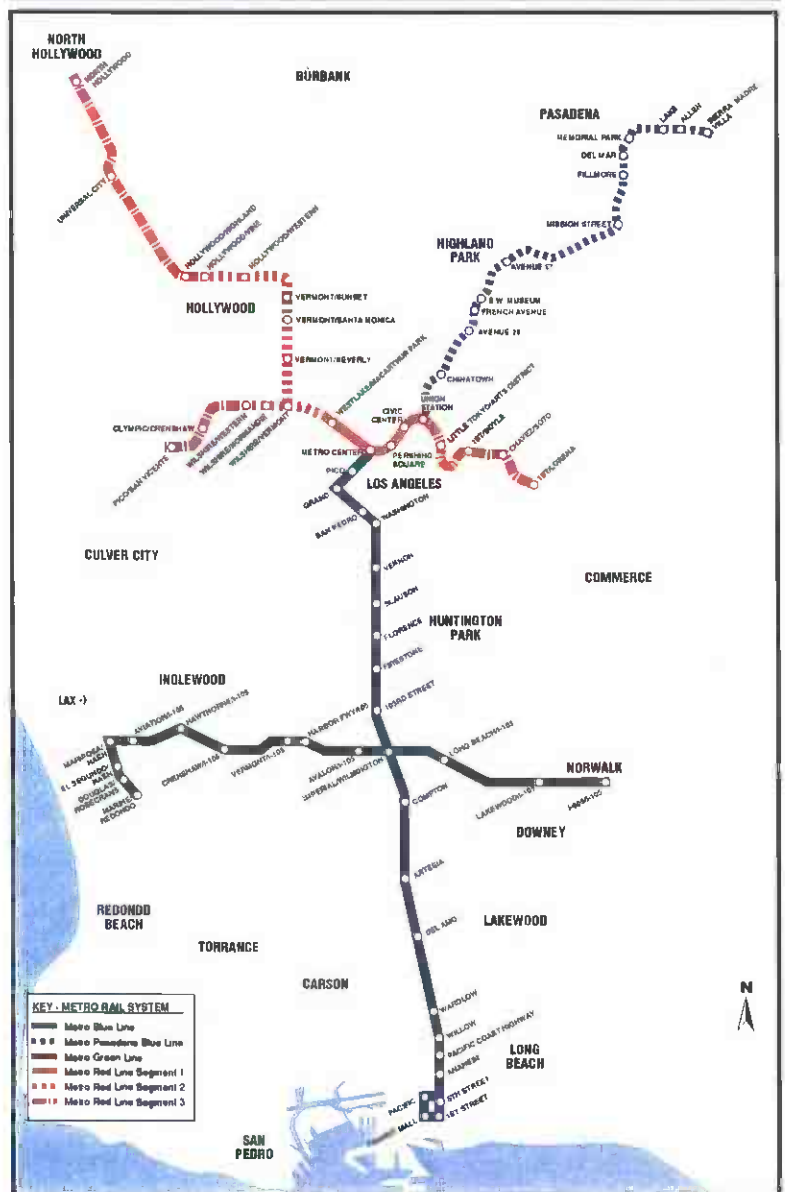


MTA METRO CONSTRUCTION



Executive Report Rail Program Status



JULY 1998

RAIL PROGRAM STATUS SUMMARY

THE LOS ANGELES COUNTY
METROPOLITAN TRANSPORTATION AUTHORITY
METRO CONSTRUCTION DIVISION

JULY 1998

RAIL PROGRAM SUMMARY



EXECUTIVE SUMMARY RAIL PROGRAM STATUS as of July 1998

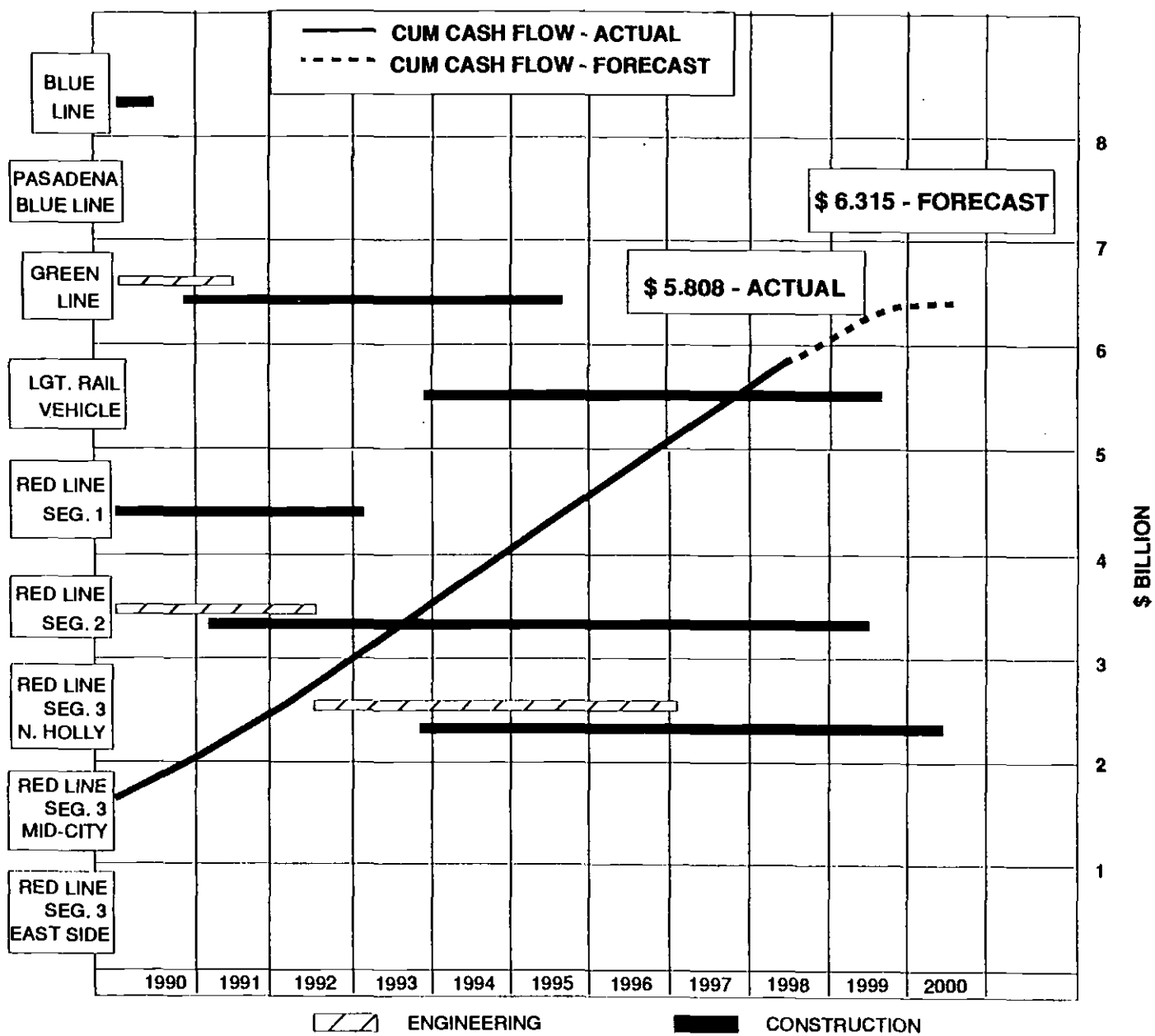
	RED Segment 1	RED Segment 2	RED Seg 3 N. Hollywd.	RED Seg 3 Mid-City	RED Seg 3 East Side	BLUE Long Beach/LA	BLUE Pasadena	GREEN	Light Rail Vehicle	Summary
Length	4.4 MI.	6.7 MI.	6.3 MI.			22 MI.		20 MI.	—	59.4 MI.
Number of Stations	5	8	3			22		14	52 cars	52 stas.
Technology	Heavy Rail	Heavy Rail	Heavy 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%	94.8%	Project suspended	Project suspended	Completed	Project suspended	Completed	Based on Milestones 98%	3 of 6 complt.
Construction Status	Completed	96.7%	70.4%	Project suspended	Project suspended	Completed	Project suspended	99%	Based on Milestones 60%	3 of 6 complt.
Expenditures to Date (in mil.)	\$1438	\$1525	\$834	\$13	\$127	\$860	\$229	\$673	\$109	\$5808
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)**

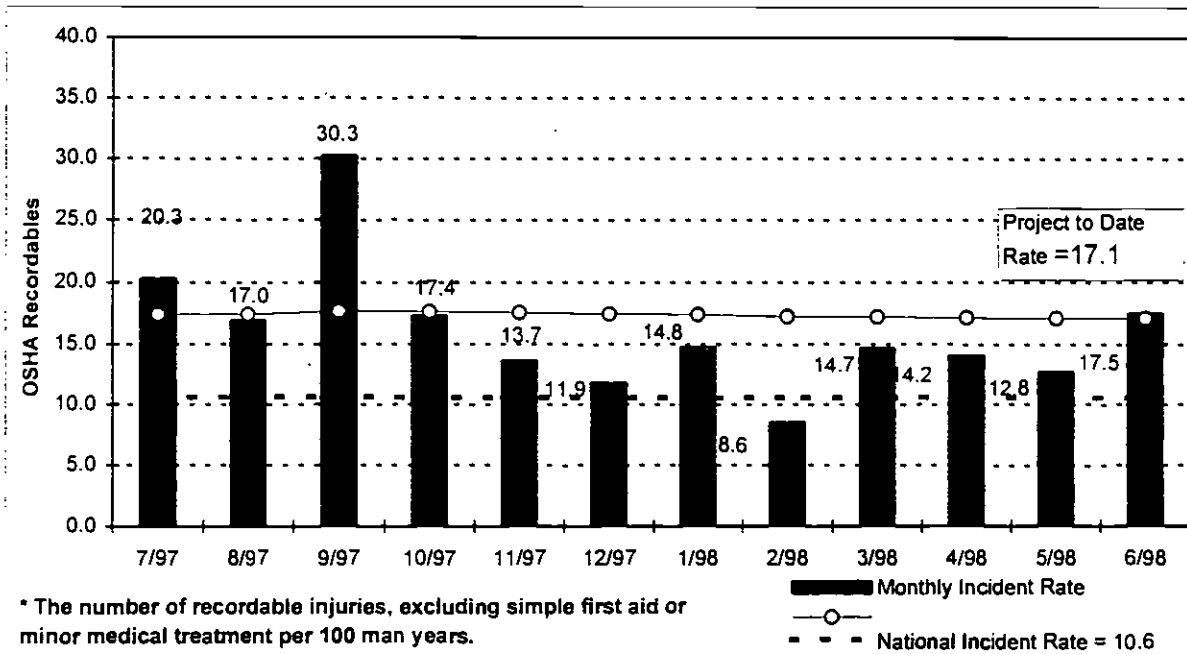
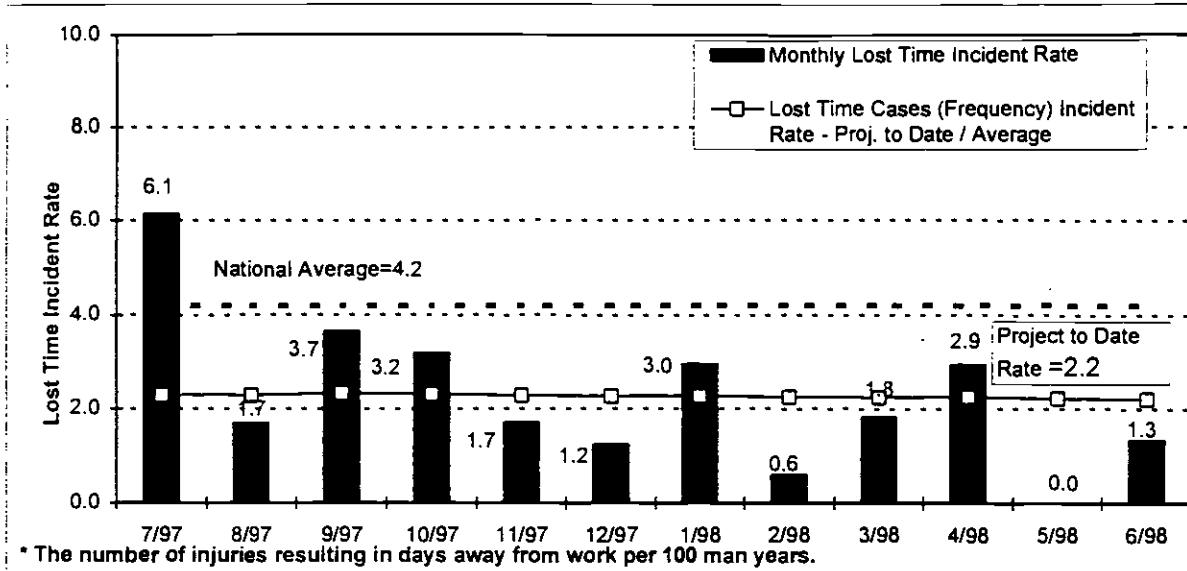
JULY 1998

	METRO BLUE LINE	METRO GREEN LINE	METRO RED SEGMENT 1	METRO RFO SEGMENT 2	METRO RED SEGMENT 3 - NH	METRO RFO SEGMENT 3 - MC	METRO RED SEGMENT 3 - ES	PASADENA BLUE LINE	LIGHT RAIL VEHICLE	TOTAL PROGRAM	
	0	0	0	0	0	0	0	0	0	\$	%
ORIGINAL SCOPE:											
FTA-SECTION 3			605.3	667.0	681.0					1953.3	31
FTA - OTHER											
ISTEA - FED SURFACE TRANSIT PROG				52.1	57.8				78.2	186.1	3
FED ISTEA RST/CMAQ					79.7				6.1	85.8	1
FTA-SECTION 9			90.6							90.6	1
STATE		105.9	210.3	133.0	285.1				18.4	730.7	12
STATE ISM MATCH					11.4					11.4	0
SB 1995 TRUST FUND					66.7					66.7	1
PROPOSITION A	877.2	205.1	179.5	504.3						1766.1	28
PROPOSITION C		395.3			59.1				158.9	613.3	10
PROP C (AMERICAN DISABILITY ACT)		6.0								6.0	0
CITY OF LOS ANGELES			34.0	96.0	90.0					220.0	4
BENEFIT ASSESSMENT			130.3							130.3	2
COST OVERRUN ACCOUNT			200.1	216.0						416.1	6
APPROVED BUDGET	877.2	712.3	1450.1	1668.4	1310.8				257.6	6276.4	99
CURRENT FORECAST	877.2	716.3	1439.0	1670.0	1341.1				201.4	6245.0	
ADDITIONAL LOCALLY FUNDED ACTIVITIES:											
PROP C (ARTWORK)					2.4					2.4	0
PROP C (NON REV. CONNECTOR)					0.3					0.3	0
PROP C (TRANSIT ENHANCEMENTS)				66.0						66.0	1
PRIVATE FUNDS (KIASER HOSPITAL)				4.4						4.4	0
APPROVED BUDGET	0.0	0.0	0.0	70.4	2.7			0.0	0.0	73.1	1
CURRENT FORECAST	0.0	0.0	0.0	68.8	1.6			0.0	0.0	70.4	

(1) The Mid-City budget of \$683 million reflects Total Funds Anticipated pending the selection of a preferred alternative, the Approved Budget is \$491 million.



Safety Summary Status



METRO RED LINE SEGMENT 2 Rail Program Status Summary Period Ending - July 31, 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	\$ 0.5	0.0 %
Prior Cumulative Prog.	168.7	99.4
Cumulative Progress	169.2	99.4
CONSTRUCTION		
Monthly Progress	\$4.4	0.6 %
Prior Cumulative Prog.	985.6	96.1
Cumulative Progress	990.0	96.7
OTHER Cost Elements	\$366.1	
TOTAL	\$ 1525.3	

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	472.0	446.2
City of Los Angeles	96.0	96.0	94.1
Benefit Assessment Dist	0.0	0.0	0.0
Benefit Assess. Shortfall	0.0	25.4	25.4
Cost Overrun Account	216.0	56.1	56.1
Prop C Transit Enhance	66.0	51.4	51.4
Private Funds Kaiser Hos	4.4	0.0	0.0
TOTAL	\$1738.8	\$1553.0	\$1525.3

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$1049.9	\$1049.6
Professional Services	463.3	467.2
Real Estate	83.7	84.7
Utility Force Account	30.4	29.4
Special Programs	2.5	2.5
Contingency	39.9	37.9
Project Revenue	(1.3)	(1.3)
TOTAL ORIGINAL SCOPE	\$1668.4	\$1670.0

	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$70.4	\$68.8

SCHEDULE STATUS

REVENUE OPERATIONS DATE: May 1999

In July, the MTA Board of Directors approved a revised ROD of May 29, 1999. The zero days of float represent a recovery of 206 calendar days from rescheduling the revenue operations date by 161 calendar days, resequencing the Vermont/Sunset Station electrical/mechanical functional test activities, and revising projected duration for some station system integration tests.

CURRENT ACTIVITIES / ISSUES

In July, the MTA Board of Directors approved a revision to the budget. The budget was increased to \$1.739 billion. The MTA will submit to the Federal Transit Administration a request for renegotiation of the completion date in the Full Funding Grant Agreement.

METRO RED LINE SEGMENT 3 NO. HOLLYWOOD

Rail Program Status Summary

Period Ending - July 31, 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	\$ 1.5	0.6 %
Prior Cumulative Prog.	71.7	94.5
Cumulative Progress	73.2	95.1
CONSTRUCTION		
Monthly Progress	\$ 12.6	1.7 %
Prior Cumulative Prog.	528.7	68.7
Cumulative Progress	541.3	70.4
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	\$397.8
FTA - Sect 3 Defer. Local	136.2	86.7	99.5
FED ISTE A STP (State)	57.8	57.8	50.0
FED ISTE A STP/CMAQ	70.5	53.0	53.0
FED ISTE A RSTP Defer	9.1	6.9	6.9
SB 1995 Trust Fund	66.7	66.7	66.7
State SHA/Article XIX	66.9	40.9	20.9
State Proposition 116	57.2	57.2	25.0
State TSM Match	11.4	10.5	10.5
State CTIP	141.2	0.0	0.0
City of Los Angeles	90.1	55.5	55.5
Proposition C	59.1	47.6	47.6
Benefit Assessment Dist	0.0	0.0	0.0
Prop C (Artwork)	2.5	0.6	0.3
Prop C (Non-Rev Connect)	0.3	0.0	0.0
TOTAL	\$1313.8	\$830.4	\$833.7

BUDGET/FORECAST STATUS (in \$ mil.)

Cost Element	Current Budget	Current Forecast
Construction	\$824.7	\$859.8
Professional Services	300.8	339.9
Real Estate	89.0	86.3
Utility Force Account	26.3	26.6
Special Programs	0.0	0.0
Contingency	69.6	25.9
Project Reserve	0.4	2.6
Project Revenue	0.0	0.0
TOTAL ORIGINAL SCOPE	\$1310.8	\$1341.1
	Current Budget	Current Forecast
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$3.0	\$1.6

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. The schedule recovery from last months reported ROD of July 7, 2000 was accomplished by shortening durations for train control tests, systemwide integration tests and pre-revenue operations.

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

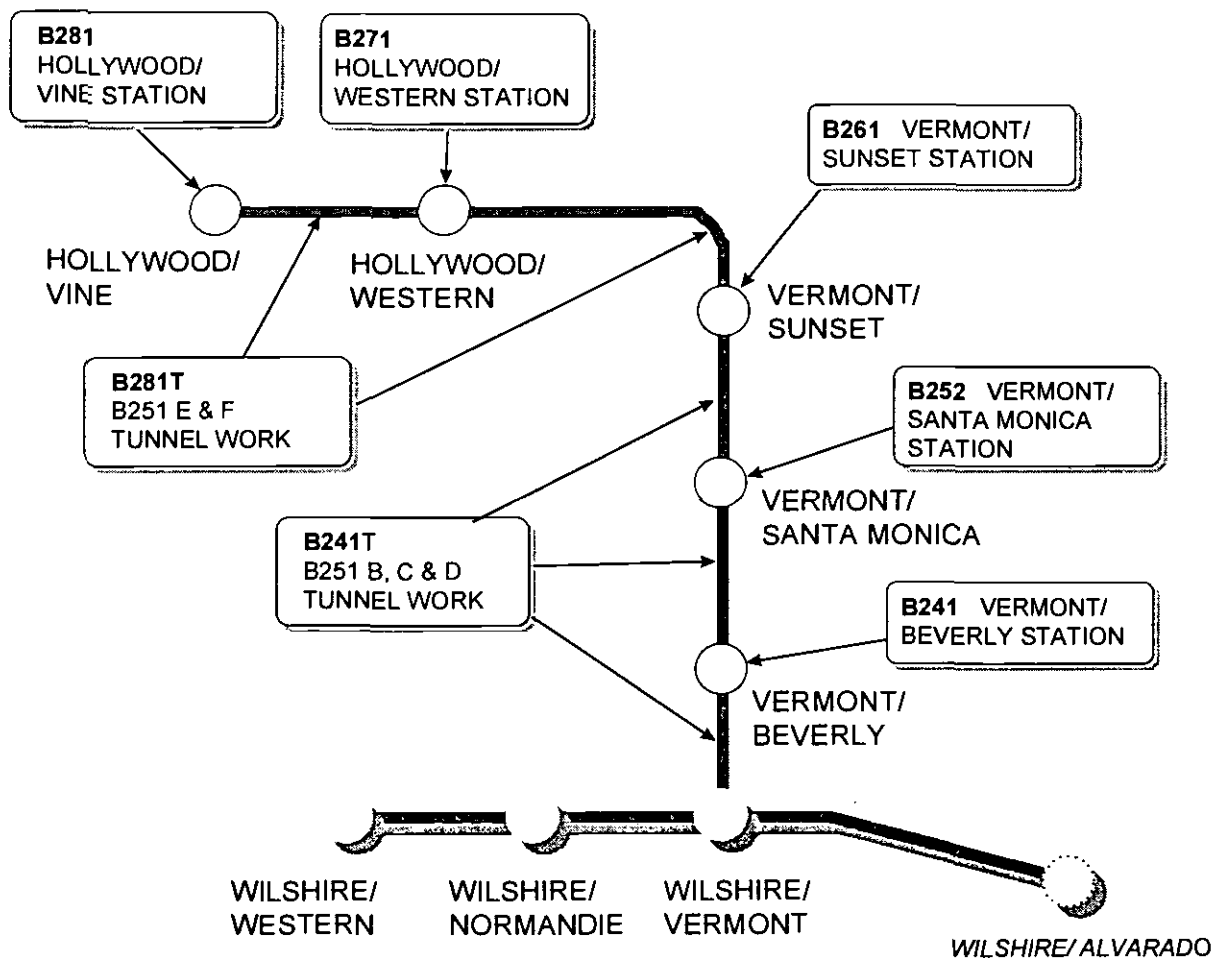
METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL (ATC) INSTALLATION: Completed station operational tests at B252 and B241 stations.

B630, TRACTION POWER EQUIPMENT: Equipment commissioning was completed at B261 station; the commissioning at B215 is 95% complete.

B631, TRACTION POWER: Continued supporting the equipment commissioning by B630.

B641, RADIO: Continued repair of damaged antenna cable at the stations. Completed base stations antennas at B252 and B271 stations.

B645, TRACS: Completed remote terminal unit Local Field Acceptance Test (LFAT) at B252 and B281 stations. Completed engineering design work for Change Notice 38, 39, 40, 41, and 44.

B646, FIRE AND EMERGENCY MANAGEMENT: Completed Change Notice 61 and 68, engineering design for B281 station. Completed post installation inspection (PII) and F&EM LFAT at B252 station.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



B648B, COMMUNICATION INSTALLATION: The critical F&EM Change Notice work at B281 was completed. Communication installation work has not started at the B261 station.

B710, ELEVATOR/ESCALATOR: Continued installation work at all stations. Beneficial occupancy was taken at B241, B252, and B281 stations.

B740/B745, AIR HANDLING/VENTILATION: Completed testing; continued installing equipment at the B261 station.

FACILITY ACTIVITIES:

B241 VERMONT/BEVERLY STATION: Completed planting trees and installing sprinkler piping. Testing of electrical and mechanical equipment and ceiling panel installation approach completion. Rockwork artwork installation continued. The Contractor has achieved 10 liquidated damage milestones to date. The Contract is 99.1% complete.

B252 VERMONT/SANTA MONICA STATION: North entrance plaza work approached completion. Resumed air balance, following completion of related change work. Continued electrical/mechanical, surface, and architectural punchlist work. The Contractor has achieved 14 liquidated damage milestones to date. The Contract is 99.8% complete.

B261 VERMONT/SUNSET STATION: Continued concreting the station appendages and continued electrical and mechanical installations, primarily in the station's north end. Energized permanent power and began testing station equipment. Flood damage repair work approached completion. Continued interior finish work. MTA staff continued to negotiate with the B261 contractor to build the Kaiser entrance as a change to the B261 contract. The Contract is 95% complete.

B271 HOLLYWOOD/WESTERN STATION: Continued testing the cathodic protection system. Testing of electrical and mechanical equipment in the station approached completion, and final preparations are underway for air balance. Continued punchlist work. The Contractor has achieved 12 liquidated damage milestones to date. The Contract is 97.4% complete.

B281 HOLLYWOOD/VINE STATION: Completed installing porcelain wall panels and continued installing ceiling panels in the station. Continued punchlist work. The Contractor has achieved 13 liquidated damage milestones to date. The Contract is 97.4% complete.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Quality Assurance

SYSTEMWIDE AND FACILITIES

Surveillances Completed

B241

S98-161, Issue Quality Management Surveillance Report (QMSR), Equipment Installation (open)

B252

S98-150, Integration Test (open)

B252/B630

S98-160, Corrective Action (C/A) for Corrosion, A/C Switchgear (closed)

B620

S98-148, Issue QMSR, Rail Clamp Spacing (open); S98-149, Issue QMSR, ATC (open); S98-148, QMSR (open)

S98149, Cable Installation at B261 (open)

B629

S98-148, Cable Clamp Spacing at B241 (open)

B630

S98-147, C/A for Flood Damaged Equipment at B261 (open); S98-147, Issue QMSR, A/C Switchgear (open); Closeout of S98-105-01

B631

S98-156, C/A for Cable Terminations at B241 (open); S98-158, C/A for Equipment Installation at B261 (closed); S98-162, Closeout, S98-61, 80, 89, 113-01 (open); S98-156, Issue QMSR, Wire Ties (open); S98-158, Issue QMSR, A/C Switchgear (open); S98-160, Issue QMSR, A/C Switchgear (open)

B646

HO121, S98-151, Issue QMSR (open)

S98-144, Fire and Emergency Management Local Field Acceptance Test (open)

Integration Test

S98-150, Test Procedure (TP) I-407, I-301, and I-404 at B252 (open); I-406 at B252 (open)

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Program Management

Close Quality Action Requests (QARs) A198-11-03 through -07, Schedule Development and Control (closed); closed Cost Forecasting Audit, QARs A98-06-01 through -06 (closed)

Audits Completed

No audits were performed this report period.

Other Activities

Failure analysis investigation, Rail Bonded Tie Plates
HO121, Sprinkler Retrofit, welding and nondestructive examination issues
Rail Activation Tiger Team
Rewrite (Quality Assurance Procedures Manual (QAPM) 16, Stop Work
Review resubmitted HO122, Closed Circuit TV, QA Program

QARs Closed

A98-06-01 through -05 (MTA), Project Management, Cost Forecasting
QAR S98-142, 1, QAR Closeout
QMSR 98-158, QAR Closeout
S97-264-01 (630), Corrosion Underside of Equipment at B252
S98-61-01 (B631), Third Rail Cable Connections at B241
S98-80-01 (B631), Porcelain Cable Supports at B241
S98-89-01 (B631), Third Rail Connector Lugs at B252
S98-102,2, QAR Closeout
S98-105-01 (B630), Equipment Rust Due to Flood at B261
S98-112-01 (B631), Equipment Not Installed Correctly at B261
S98-113-01 (B631), Third Rail Cable Connections at B261
S98-127-01, QAR Closeout Activity / \$1.25 hour
S98-148

QARs Response Due

A97-21-05 (B645), SYSECA Resubmittals, 3/20
S98-02-01 (B241), Debris and Dirt in Cableway, 2/5
S98-26-01 (All), Operations and Maintenance Manuals, 3/13
S98-38-01 (B631), Wire Bundle Straps at B281, 3/5
S98-44-01, (B646), Circuit Board Workmanship at B281, 3/27
S98-70-01 (B631), Glastic Insulation at B271, 4/21
S98-81-01 (B631), Wire Tie Supports at B241, 4/20
S98-109-01 (PD Quality Control), Inspection Trend, 6/17

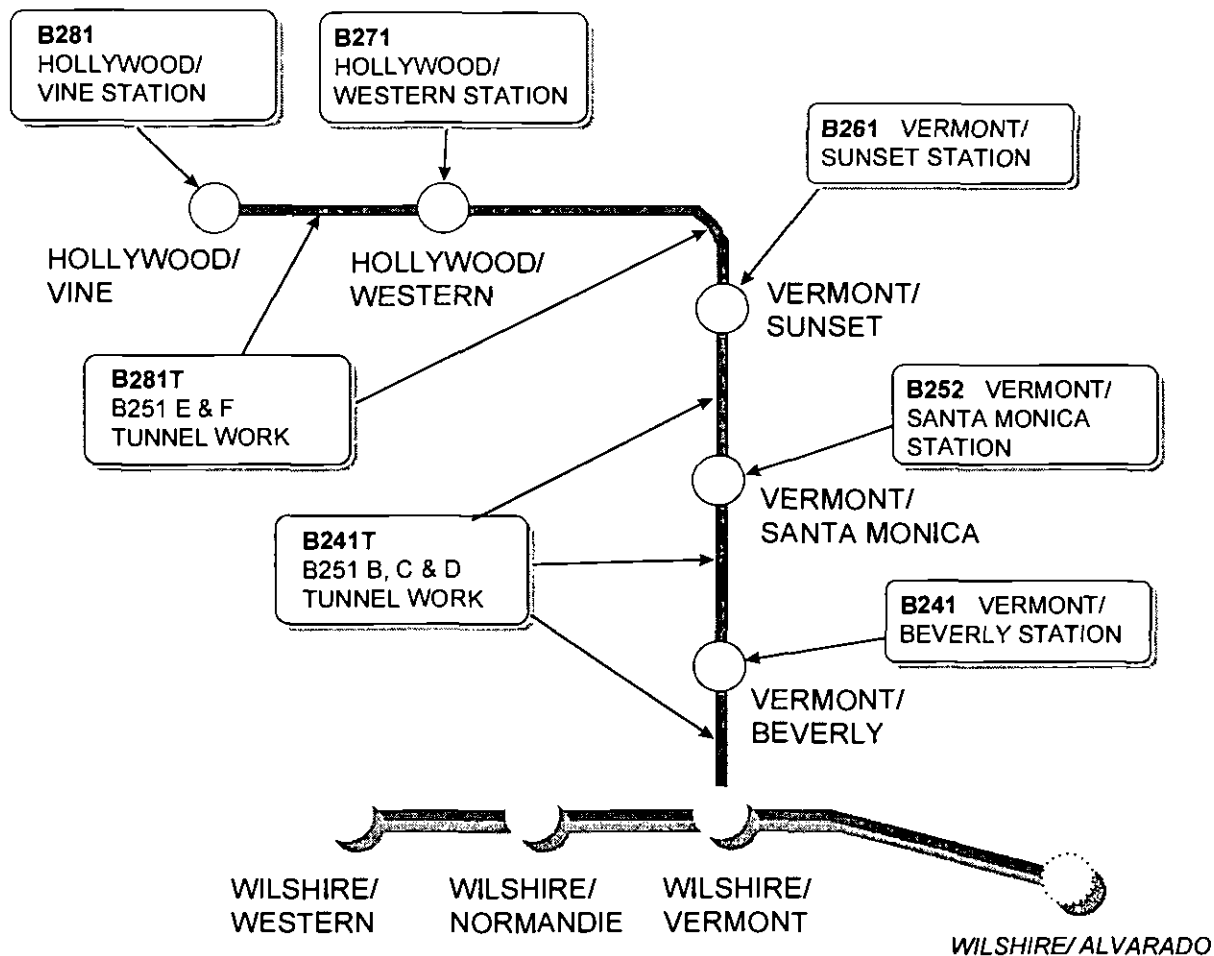
METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

B620, AUTOMATIC TRAIN CONTROL

INSTALLATION: Continue wayside and station train control room equipment termination and operational testing.

B630/B631, TRACTION POWER: Complete commissioning of the equipment for energization at the B261 and B271. Begin commissioning at B281 so traction power will be ready for Vermont rail energization.

B641, RADIO: Continue installation/repairing and testing at stations.

B645, TRACS: Start Factory Acceptance Test (FAT) on August 5, 1998.

B646, FIRE AND EMERGENCY MANAGEMENT: Start Local Field Acceptance Testing (LFAT) at the B281 station; incorporate Change Notice work for B271 and B241.

B648B, COMMUNICATION INSTALLATION: Continue installation at the B241 and B271 stations;

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



and supporting F&EM LFAT. Begin installation at B261 station.

B710, ELEVATOR/ESCALATOR: Continue installation at all stations.

B740/B745, AIR HANDLING/VENTILATION: Complete testing at the B271 station. Continue installing equipment at the Vermont/Sunset Station.

FACILITY ACTIVITIES:

B241 VERMONT/BEVERLY STATION: Complete testing electrical and mechanical equipment. Continue installing rockwork artwork and punchlist work.

B252 VERMONT/SANTA MONICA STATION: Complete station air balancing, and interior finish work. Continue punchlist work.

B261 VERMONT/SUNSET STATION: Continue installing electrical/ mechanical equipment and wiring, primarily in the station's north end. and testing station equipment. Complete repair of water damaged equipment in the station. Continue street restoration, and concreting of station appendages. Continue installing finishes. Complete negotiations with the B261 contractor to build the Kaiser entrance as a change to the B261 contract.

B271 HOLLYWOOD/WESTERN STATION: Complete equipment testing and 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 - July 1998



Budget/Forecast Variance

Original Scope Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	July Change in Forecast
CONSTRUCTION	\$1,049.9	\$1,049.6	(\$0.2)	(\$0.2)
PROFESSIONAL SERVICES	\$463.3	\$467.2	\$3.9	\$1.5
REAL ESTATE	\$83.7	\$84.7	\$1.0	\$1.0
UTILITY/AGENCY FORCE ACCOUNTS	\$30.4	\$29.4	(\$1.0)	(\$1.0)
SPECIAL PROGRAMS	\$2.5	\$2.5	\$0.0	\$0.0
PROJECT CONTINGENCY	\$39.9	\$37.9	(\$2.1)	(\$2.1)
PROJECT REVENUE	(\$1.3)	(\$1.3)	\$0.0	\$0.0
TOTAL PROJECT	\$1,668.4	\$1,670.0	\$1.6	(\$0.8)

Budget/Forecast Variance Analysis

Original Scope Activities

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

Expenditures to date for Original Scope are \$1,473.9 million or 88.3% of current total forecast.

Commitments to date for Original Scope are \$1,536.0 million or 91.8 % of current total forecast.

The Current Project Budget increased \$80.2 million, due to PBCR-30 (additional budget increase across large number of contracts).

The Current Project Forecast decreased \$0.8 million.

Construction decreased \$0.2 million due to:

- B281T (Tunnel Repair) decreased \$1.2M due to elimination of Barnsdall Restoration.
- B290 (Construction Support) increased \$1.0M due to Integrated Testing.

Professional Services increased \$1.5M due to:

PM021 (Project Management Assistance) increased \$1.5M due to a revised forecast for tasks envisioned.

Real Estate increased \$1.0 million due to Barnsdall lease and settlement costs.

Utility force account decreased \$1.0 million due to:

F0102 DWP Closed Work Orders.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Contingency decreased \$2.1 million due to:

- Offset changes as noted above.
- To cover the transfer of the Kaiser Entrance from original scope to additional locally funded activities.

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 decreased \$8.9 million, due to the transfer of Kaiser Entrance to B263.

Contract B263 increased \$8.9 million, due to the transfer of Kaiser Entrance from B261.

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

LINE ITEM 19--PROJECT ADMINISTRATION

Current Budget: \$79,306,039

Forecast: \$79,306,039

Variance: 0

Percent Variance: 0

The MTA Board action in July to increase the project budget to \$1,738,771,000 increased the Project Administration budget to \$79,306,039. There is no variance.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Budget/Forecast Variance

Additional Locally Funded Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	July Change in Forecast
CONSTRUCTION	\$50.9	\$51.7	\$0.8	\$0.8
PROFESSIONAL SERVICES	\$19.5	\$17.1	(\$2.4)	\$0.0
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	\$0.0	\$0.0	\$0.0
TOTAL ADDITIONAL LOCALLY FUNDED ACTIVITIES	\$70.4	\$68.8	(\$1.6)	\$0.8

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 \$51.4 million or 74.7% of current total forecast.

Commitments to date for Additionally Locally Funded Activities are \$54.3 million or 79.9% of current total forecast.

There was an increase in the current budget of \$1.8 million due to PBCR-30 (Professional Services).

The project forecast increased by 0.8 million.

Construction increased \$0.8 million. The transfer of Kaiser Entrance from B261 to B263 caused the associated increase due to a move from contingency original scope to additional locally funded activities.

Real Estate increased \$1.0 million due to Barnsdall lease and settlement costs.

Utility force account decreased \$1.0 million due to:

- F0102 DWP Closed Work Orders.

Contingency decreased \$2.1 million due to offset changes as noted above.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending -July 1998



Status Of Funds By Source

(\$ Millions)

SOURCE	ORIGINAL BUDGET	TOTAL FUNDS ANTICI- PATED	TOTAL FUNDS AVAIL- ABLE	COMMIT- MENTS \$	COMMIT- MENTS %	EXPENDI- TURES \$	EXPENDI- TURES %	BILLED TO SOURCE \$	BILLED 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	\$0.000	\$144.604	\$144.604	\$144.604	100%	\$144.604	100%	\$144.604	100%
FED ISTE A STP (STATE)	\$0.000	\$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	\$471.975	\$498.669	99%	\$446.235	88%	\$446.235	88%
CITY OF L.A.	\$96.000	\$96.000	\$96.000	\$96.000	100%	\$94.071	98%	\$94.071	98%
BENEFIT ASSESSMENT	\$58.000	\$0.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
BENEFIT ASSESSMENT SHORTFALL	\$0.000	\$0.000	\$25.400	\$25.400	0%	\$25.400	0%	\$25.400	0%
COST OVERRUN ACCOUNT	\$0.000	\$215.941	\$56.037	\$63.826	30%	\$56.037	26%	\$56.037	26%
Total Original Scope	\$1,446.432	\$1,668.369	\$1,501.541	\$1,536.024	92%	\$1,473.872	88%	\$1,473.872	88%
Other Locally Funded Activities									
PROP C (TRANSIT ENHANCEMENTS)	\$0.000	\$65.968	\$51.406	\$54.298	82%	\$51.406	78%	\$51.406	78%
ISTEA RSTP (TRANSIT ENHANCEMENTS)	\$0.000	\$0.000	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
PRIVATE FUNDS (KAISER HOSPITAL)	\$0.000	\$4.434	\$0.000	\$0.000	0%	\$0.000	0%	\$0.000	0%
Total Other Locally Funded Activities	\$0.000	\$70.402	\$51.406	\$54.298	77%	\$51.406	73%	\$51.406	73%

Status Of Funds By Source Analysis

Status of Funds by Source Analysis

ISTEA RSTP: In December 1997, MTA submitted a grant application for \$2.528M. Grant application has been withdrawn.

Benefit Assessment: No funds are expected to be available until FY 2003.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending -July 1998



Cost Overrun Account: The CAPRA account cash balance as of June 30, 1998 is \$24,943,470.

The revised budget growth is funded as follows:

CAPRA:	\$21.6M
PROP A:	\$194.3M

Fiscal Year 1998 Budget

The revised budget is 160.2M, with funding to be provided by the following sources:

CITY OF LA:	\$4.4M
RSTP FUND:	\$2.5M
PROP A 35% Rail Bond:	\$153.6M (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 - July 1998



Schedule - Vermont/Hollywood Corridor

	Current Status	Change from Last Month
Current ROD	May 1999	+161 days
Design Progress	100.0%	+0.6%
Critical Path Float	0 days	206 days
Construction Progress	96.7%	+0.6%

Current Critical Path Analysis

In July, the MTA Board of Directors approved a revised Revenue Operations Date (ROD) of May 29, 1999. In August 1998, the MTA will submit to the Federal Transit Administration a request for renegotiation of the completion date in the Full Funding Grant Agreement. A revised baseline schedule and construction progress curve will be prepared and included in next month's report.

Primary Critical Path [0 cal days]

The zero days of float represent a recovery of 206 calendar days from rescheduling the revenue operations date by 161 calendar days, resequencing the Vermont/Sunset Station electrical/mechanical functional test activities, and revising projected durations for some station system integration tests (SITs).

The primary critical path this period is the continuing SIT at Vermont/Santa Monica Station and proceeding through Phase I integration testing at Hollywood/Vine, Vermont/Beverly, and Vermont/Sunset stations and then completion of Phase II testing at the Vermont/Sunset Station, leading to prerevenue operations.

Secondary Critical Path [4 cal days]

The issuance of CN257 to the Vermont/Sunset Station contractor for the Kaiser Entrance is four days off the critical path. The critical items are the issuance of a notice to proceed by September 1, 1998, and completion of excavation leading to temporary ventilation (milestone 4) to allow station ventilation testing to be complete by May 25, 1999.

In addition, the electrical/mechanical installations and station functional testing is 15 days off the critical path.

Tertiary Critical Path [8 cal days]

The scope of work associated with the B646 contractor, fire and emergency management (F&EM), is eight days off the critical path. The required Contractor proposal for CN-83 for engineering design for the F&EM software at the Hollywood/Western Station is critical for the LFAT completion scheduled for September 16, 1998, leading to the start of station systems integrations.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



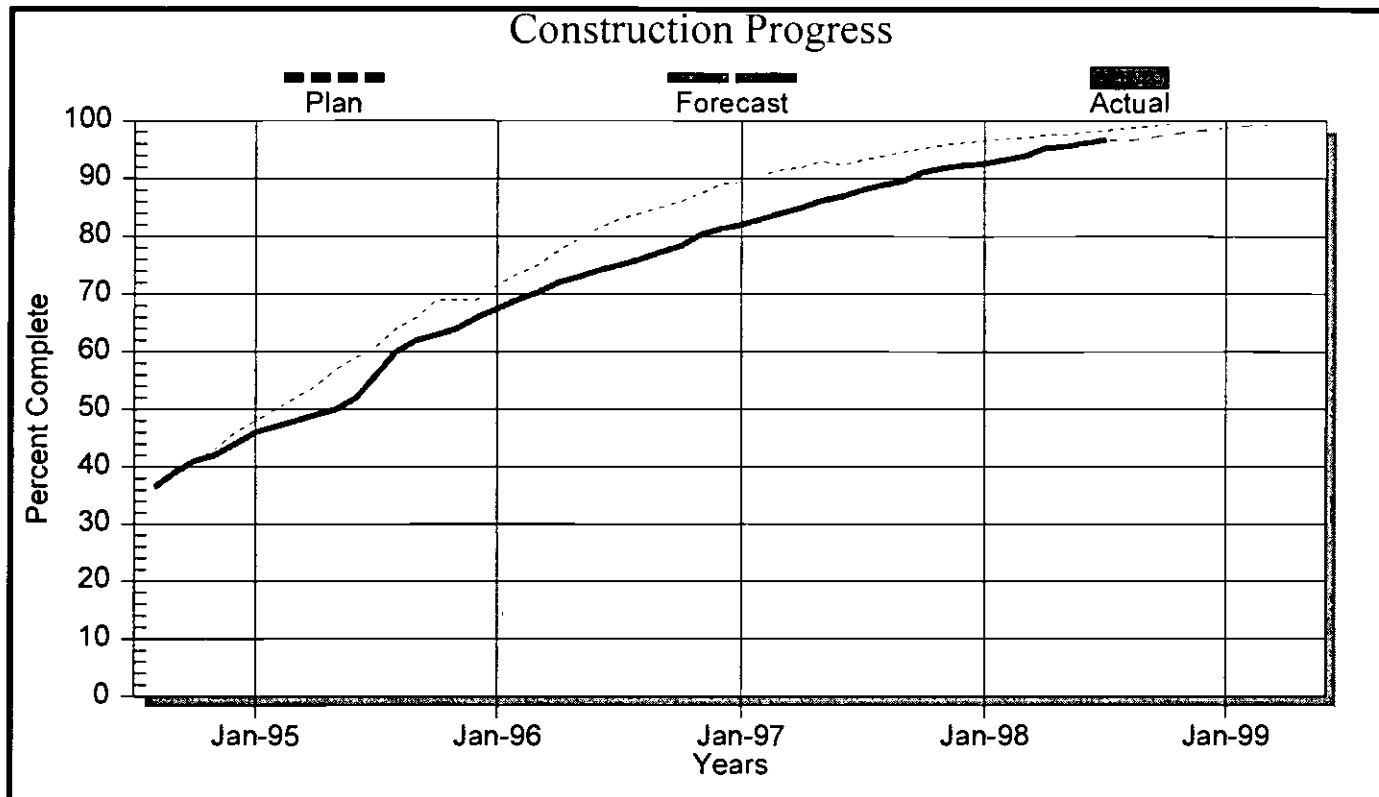
Quaternary Critical Path [16 cal days]

The completion of factory acceptance testing (FAT) for B645, Transit Automatic Controls (TRACS) and SCADA systems, is 16 days off the critical path. The completion of the interface test will be followed by the start of the first Phase II testing on October 21, 1998, at the Vermont/Santa Monica Station.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Construction Progress Analysis

The project physical progress measurement (PPM) cumulative actual to date is 1.6% behind the plan, which represents a 0.3% gain from the previous period.

The plan versus actual physical progress variance continues to improve. 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.



Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	18.2	none
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.

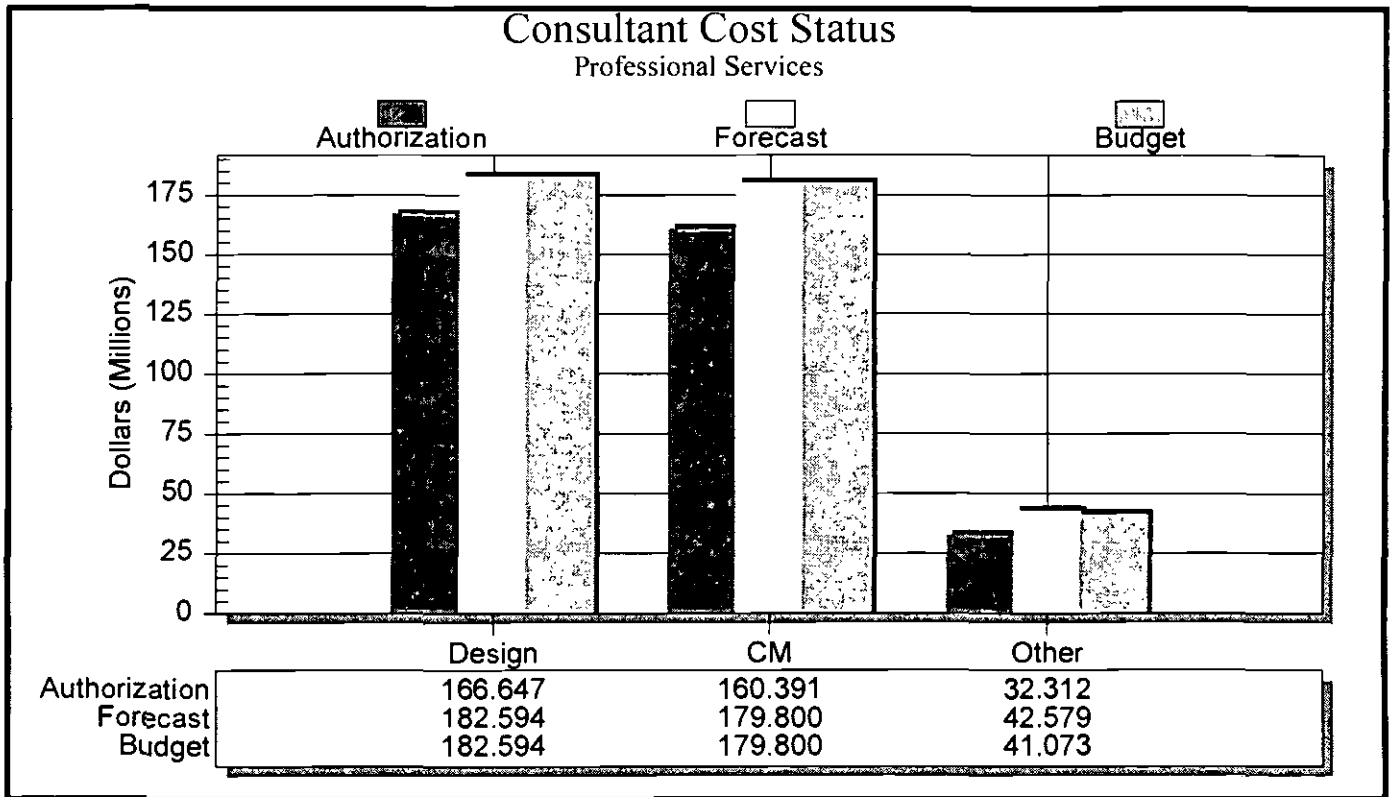
Construction Safety Summary

- 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 80,000 work hours each month and has produced almost 12,900,000 work hours to date without a fatal injury.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 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. The budget increased approximately \$5.6 million, to bring it into line with the forecast.

Construction Management Services

The forecast remained unchanged. CM services may change as a result of rebaselining of the staffing plan for project delays. The budget increased \$10.4 million to bring it into line with the forecast.

Other Professional Services

The forecast increased by approximately \$1.5 million in July due to an increase for PM021 project management assistance.

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Management Issues

NEW

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 project staff evaluated the feasibility of an early ROD and initiated a cost and schedule analysis. In August 1998, staff will brief MTA upper management on details of feasibility and review the minimal requirements and associated cost impacts to support a February 1999 ROD.

ONGOING

Item (Initiated December 1997)

B261, Vermont/Sunset Station--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 on 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 refund 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 is currently in the process of developing a schedule to meet the November 30 date. The project Schedule has been adjusted to reflect the November 30 date for testing completion.

ONGOING

Item (Initiated February 1998)

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



B263, Vermont/Sunset Station--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. A work authorization change notice is planned to be issued by August 15, 1998 to allow Contractor to begin submittal preparation. The Change Order Notice-to-Proceed is planned for September 1, 1998.

ONGOING

Item (Initiated February 1998)

Unauthorized Labor Charges Originating From Operations Division

Concern/Impact

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. Meetings have been held, but issues have not been resolved.

RESOLVED

Item (Initiated November 1997)

Project Revenue Operations Date (ROD) Forecast

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Concern/Impact

A continuing trend of construction and systems installation delays have resulted in a revised forecast ROD (July 1, 1999) well beyond the current ROD of December 31, 1998.

Status/Action

In July, MTA Board of Directors approved a revised ROD of May 29, 1999. MTA will submit to the Federal Transit Administration a request (with appropriate documentation) for renegotiation of the completion date.

RESOLVED

Item (Initiated May 1998)

TRACS (B645) Changes

Concern/Impact

Delays on approval of the revised fair cost estimates for Change Notices 38, 39, 40, 41, and 44 have impacted this contract's work. This contract is the quaternary critical path and 40 calendar days away from the most critical path. The critical Change Notices will impact the TRACS equipment Factory Acceptance Test (FAT), Local Field Acceptance Test (LFAT), and the Phase II System Integration Test.

Status/Action

The TRACS Factory Acceptance Test (FAT) is scheduled to commence on August 5, 1998, with a duration of 40 work days. The interface test duration for each station has been reduced to 10 days. The execution plan and progress will be closely monitored to prevent impact to ROD.

RESOLVED

Item (Initiated January 1998)

Fire and Emergency Management System (B646) Contract Issues

Concern/Impact

Contract issues have reached an impasse. The critical project activities (Change Notice work by B646 at the Vermont/Santa Monica Station, Local Field Acceptance Test, and the start of phase one system integrating testing) were delayed based on the delays in issuance of changes to Syseca.

Status/Action

Contract issues have been resolved. Any contractor schedule performance issues will be addressed in the schedule status section.

RESOLVED

METRO RED LINE Segment 2

Monthly Project Status Report

Period Ending - July 1998



Item (Initiated March 1997)

Project Cost Overrun Forecast

Concern/Impact

The low level of remaining unallocated contingency raises concerns that the forecast will exceed the current project budget.

Status/Action

The forecast was adjusted in December 1997, which included recognition for potential claims, again in March 1998, and finally this month to arrive at the current forecast of \$1.739 billion. Mitigation measures for project costs have been addressed, but an increase to contingency was deemed necessary. In July, the MTA Board of Directors revised the budget to \$1.739 billion.

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

EXECUTIVE SUMMARY

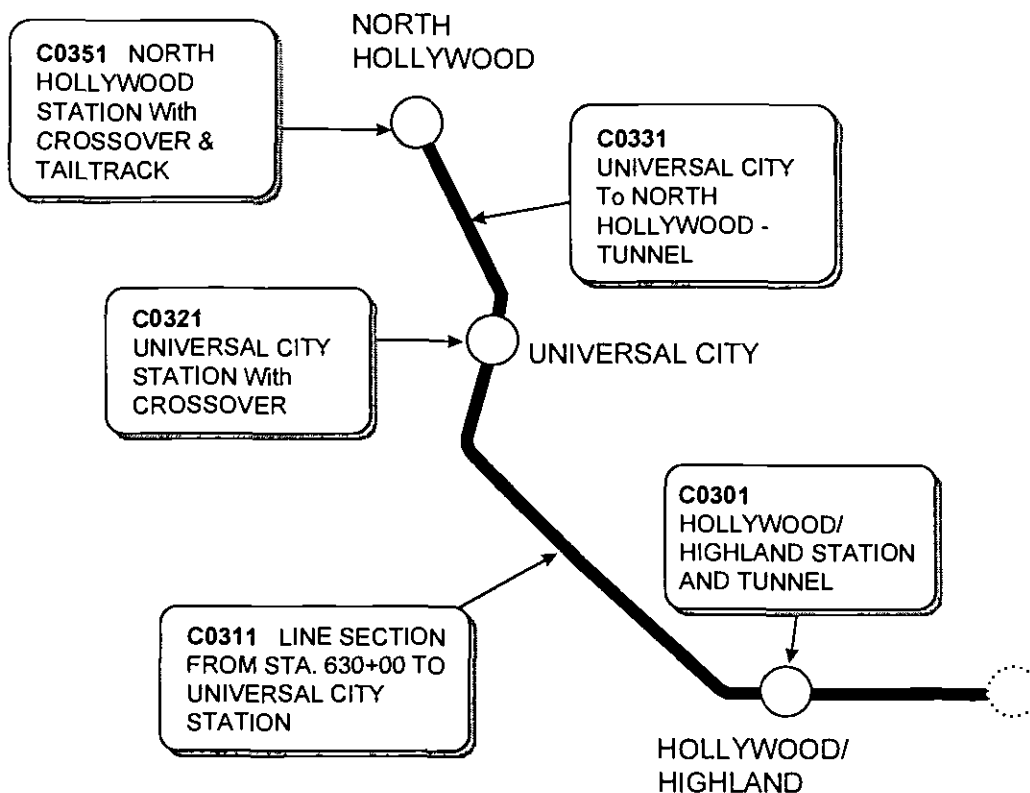
METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Major Activities - This Period



SYSTEMWIDE ACTIVITIES:

C0322 (UCS Pedestrian Undercross) completed alternative design scenarios.
C0390 (Miscellaneous Construction) began design work.
C1326 (UCS Freeway Overcrossing & Access Road) submitted Project Report to Caltrans.
C2326 (UCS Lankershim Blvd. & LA River Bridge Widen) completed geotechnical field investigations and prepared the 100% design submittal.
C3326 (UCS Bus Plaza, Parking Lot, Landscaping) completed bus plaza and parking lot conceptual design.
H0123 (Variable Message Signs) completed Camera Ready design.
P0680 (Operational Graphics) completed Camera Ready design.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Completed Milestone 16, TPS room turnover
- Complete Milestone 19, DWP room turnover
- Completed 98% of concrete placement
- Completed 95% of high-bay ceiling
- Completed 84% of HVAC

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

- Continued AR/AL running tunnels arch concrete, 59% and 72% complete, respectively
- Resumed AR/AL invert concrete which is 72% complete for both
- Completed concrete invert pour for north room and north crosscut in Track Level Rooms

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



- Continued walkway concrete in AR/AL running tunnel, 41% and 29% complete, respectively
- Completed clean up of AL tunnel
- Completed walkway concrete in AR and AL tunnel between La Brea Shaft and Hollywood/Highland Station

C0321 UNIVERSAL CITY STATION:

- Placed concrete in the remaining south entrance roof slab and Fresh Air Intake #5
- Installed the platform precast concrete edge pavers
- Installed rebar, formwork, and placed concrete in Blast Relief Shaft #1 on top of roof slab lift 15
- Installed CMU walls, GFRC panels, and HVAC ducting in the entrance area
- Completed Milestone #3 (Crossover C1610 Trackwork Access), Milestone #10 (H0631 Traction Power), Milestone #11 (B620 Train Control), Milestone #7S (B740 Ventilation South Access), and Milestone 13 (DWP Access)

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Poured MVS roof and removed shoring

C0351 N. HOLLYWOOD STATION

W/CROSSOVER & TAILTRACK COMPL:

- Provided access to B710 (Milestones 4 & 5)
- Provided access to Auxiliary Power (Milestone 10)
- Provided access to Fare Collection (Milestone 15)

C1610 TRACKWORK INSTALLATION:

- Lined, gauged and graded special and standard trackwork (except for temporary switch area) in C0351 crossover
- Completed plinth concrete, special and standard trackwork, line, gauge and grade in C0351 tail and pocket track
- Lined, gauged and graded standard trackwork C0351 station
- Installed in C0331 AR tunnel 8,562 tf of plinth concrete out of 10,511 tf for 82% complete
- Installed in C0331 AL tunnel 7,370 tf of plinth concrete out of 10,511 tf for 70% complete
- Completed plinth concrete and standard track in C0321 station in the AR tunnel
- Started survey and trench drain cover work in C0321 crossover

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Quality Assurance

Quality Assurance Surveillance Log

(by Number, Date, Contract, Organization/Location and Results)

S98-136P 6/29/98 C0321 JMA/TSP / UCS HDPE at Entrance Knockout

S98-140P 7/2/98 C1610 Herzog/JMA / NH Tunnels Mobile Batch Plant

S98-141P 7/6/98 C0321 TSP/JMA / UCS Concrete Cores at Lifts 14-15 Roof

S98-145P 7/8/98 C1610 Herzog/JMA / NH Tunnels Repair/Patching of Concrete Plinth Surfaces

S98-146P 7/14/98 C0301 Sanders/JMA H/H Station Zinc Coating of HVAC Welds

S98-153P 7/20/98 C0321 Overland/JMA / UCS Zinc Coating of HVAC Welds

Design Quality Management - Segment 3

- Continued working with MTA Engineering and Project personnel for the development of the design of the 5 or 6 small projects that center around the Universal Station area. Contract C1326 (Freeway Overcrossing and Road) and the Inca jobs (that MTA Engineering is managing without EMC) appear to be the most critical.
- Started working with the rail activation personnel to develop a surveillance and audit schedule to most effectively support the system testing and activation activities for North Hollywood. Received last week the draft schedule from the activation personnel and from the draft schedule QM will develop a supporting audit and surveillance draft schedule. Aware of the need for timely delivery of O&M manuals, as well as Spare Parts Listings and Training. Working with the rail activation personnel to make sure these items are included into their master schedule.
- Worked with both MTA and EMC Engineering for the development of the C0390 (Ancillary Construction and Maintenance) design packages. Some tailoring will be required to have the design packages meet the intent of the relevant design procedures.

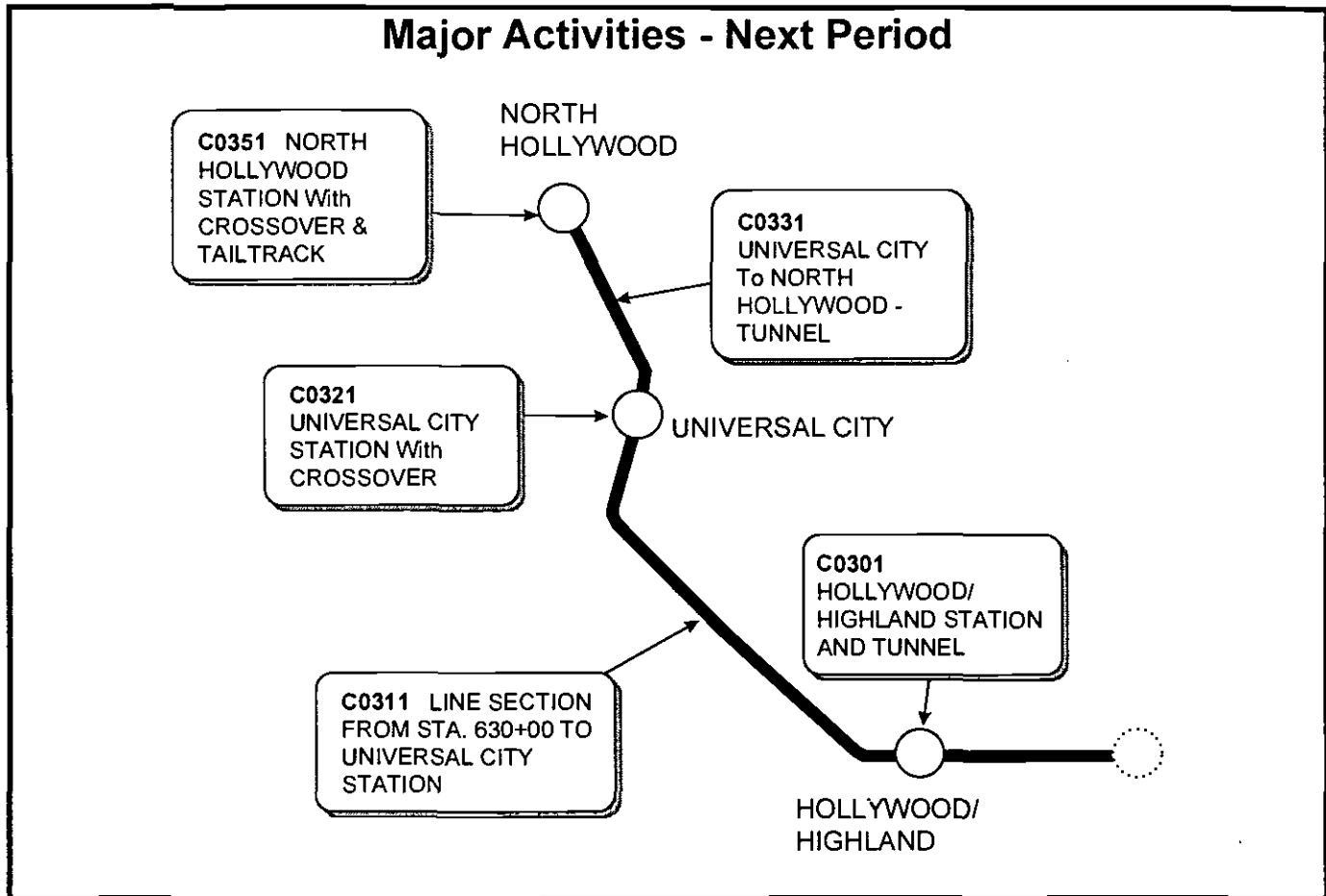
METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Major Activities - Next Period



SYSTEMWIDE ACTIVITIES:

C0322 (UCS Pedestrian Undercross) complete Preliminary Engineering.
C1326 (UCS Freeway Overcrossing & Access Road) complete 95% Submittal.
C2326 (UCS Lankershim Blvd. & LA River Bridge Widen) complete second Camera Ready design.
C3326 (UCS Bus Plaza, Parking Lot, Landscaping) issue NTP to INCA for Lankershim Blvd. widening design.

C0301 HOLLYWOOD/HIGHLAND STATION AND TUNNELS COMPLETE:

- Complete 99% of concrete placement
- Complete 96% of ceiling
- Complete 88% of HVAC

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

- Continue AR and AL running tunnel invert rebar and concrete toward Special Seismic Sections
- Continue grouting and walkway concrete in running tunnels from North Access Shaft
- Continue rebar installation and concrete pours for track level rooms' invert
- Continue standpipe and electrical conduit installation in running tunnels from North Access Shaft

C0321 UNIVERSAL CITY STATION:

- Complete Blast Relief Shaft #1 and Fresh Air Intake #1
- Install stainless steel elevator enclosures # 1 and #3 in the entrance

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



- Give access to the B710 (Escalator/Elevator contractor)
- Complete wire terminations in the south auxiliary power room
- Install the 34.5 KV DWP electrical ductbank over the entrance roof slab
- Install wall tile in the mezzanine area of lifts 3, 7, 8, and lower entrance area

C0331 LINE SECTION, NORTH HOLLYWOOD STATION TO UNIVERSAL:

- Remove level A struts at MVS
- Prepare for backfilling MVS

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

- Continue wire pulling to electrical equipment
- Continue backfill of station
- Complete side streets in preparation for Lankershim street restoration
- Continue backfilling of entrance

C1610 TRACKWORK INSTALLATION:

- Start contact rail pedestals, bonded-joints and thermite welding in C0351 tail/pocket tracks, AR/AL tunnels at the station
- Complete plinth concrete production; line, gauge and grade and start contact rail pedestal and thermite welds C0331 AR/AL tunnels
- Complete plinth concrete production, line, gauge and grade in the C0321 AR/AL station
- Start special and standard plinth concrete in C0321 crossover
- Execute CN-18.00 which resequences the access milestones for C0311 and C0301; this allows the C1610 contractor to mobilize to C0301 first and mitigates the delays in the C0311 tunnel contract

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Budget/Forecast Variance

Original Scope Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	July 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	\$339.9	\$39.1	\$32.9
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	\$25.9	(\$43.7)	(\$2.7)
PROJECT REVENUE	\$0.0	\$0.0	\$0.0	\$0.0
TOTAL PROJECT	\$1,310.8	\$1,341.1	\$30.2	\$30.2

Budget/Forecast Variance Analysis

Original Scope Activities

Total Original Scope Expenditures through June 1998: \$829.8 million.

Total Original Scope Commitments through July 1998: \$1,045.3 million.

Original Scope Activities

The Current Budget total remains unchanged at \$1,310.8 million.

The Current Forecast total has increased this period to \$1,341.1 million due to the following forecast changes:

Contract E0070 (Engineering Consultants) - Forecast increased by \$5.8 million due to anticipated future Project Overhead Expense Rate (POER) cost exposure through Project Completion.

Contract S013 (Other Specialty Consultants) - Forecast decreased by \$3.1 million due to a reassessment of remaining Professional Services Consultant cost exposure through Project Completion.

Contract S019 (MTA Project Admin.) - Forecast increased by \$30.2 million due to a reallocation of ALFA cost exposure to Original Scope.

Project Contingency - Forecast decreased \$2.7 million million due to the above mentioned forecast changes.

The July 1998 Planned Project Contingency is \$40.7 million; the Actual Project Contingency is \$25.9 million. The variance of \$14.8 million between the planned and the actual contingency is due to allocations to several construction and professional services contracts.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 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 - Tunnels from UC City Stn to NH Stn

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 that 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%)

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



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. Budget forecast reconciliation is in process that will align the estimated final costs once hazardous material handling is significantly complete.

· *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: \$33,559,533
Variance: \$8,033,533
%Variance: 31.5%

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.

· Line 19 - Project Administration
Current Budget: \$62,000,000
Forecast: \$92,247,000
Variance: \$30,247,000
%Variance: 48.8%

Mitigation: The Current Budget reflects the project team assessment of required project administration budget allocation as submitted in October 1995. The forecast has been reevaluated to reflect the revised overhead calculations and projected direct labor costs assigned to the North Hollywood Project. The project team is actively managing these potential cost impacts by focusing on staffing charges allocated to the North Hollywood Project. Additionally, the project team prepared a draft Board Report to address this cost increase and to adjust the Current Budget. Lastly, this item is also addressed as a Management Issue.

*Notes no change from prior period.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Budget/Forecast Variance

Additional Locally Funded Activities

(\$ Millions)

COST ELEMENT	CURRENT BUDGET	CURRENT FORECAST	VARIANCE	July Change in Forecast
CONSTRUCTION	\$1.9	\$0.2	(\$1.7)	\$0.0
PROFESSIONAL SERVICES	\$0.7	\$0.5	(\$0.1)	(\$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	\$1.6	(\$1.4)	(\$30.2)

Budget/Forecast Variance Analysis

Additional Locally Funded Activities

Total ALFA Expenditures through June 1998: \$3.9 million.

Total ALFA Commitments through July 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.

The ALFA forecast decreased this period by \$30.2 million due to the reclassification of previously reported ALFA cost to original scope.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending – July 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 August 1998.
- FTA SECTION 9
FED ISTE/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 August 1998.
- FTA SECTION 9
FED ISTE/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. 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).

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

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

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%	\$397.798	73%	\$346.998	64%
FTA-SECTION 3 DEFERRED LOCAL SHARE		\$136.207	\$86.749	\$136.207	100%	\$99.450	73%	\$86.749	64%
FED ISTEA STP (STATE)	\$0.000	\$57.600 (5)	\$57.800	\$50.000	87%	\$50.000	87%	\$50.000	87%
FED ISTEA STP/CMAQ (REGIONAL)	\$25.000	\$70.540	\$53.037	\$53.037	75%	\$53.037	75%	\$53.037	75%
FED ISTEA RSTP DEFERRED LOCAL SHARE		\$9.139	\$8.871	\$8.871	75%	\$8.871	75%	\$8.871	75%
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 118	\$0.000	\$57.152 (5)	\$57.152	\$25.000	44%	\$25.000	44%	\$25.000	44%
STATE TSM Match	\$0.000	\$11.360	\$10.537	\$10.537	93%	\$10.537	93%	\$10.537	93%
STATE CTIP	\$0.000	\$141.145 (5)	\$0.000	\$13.779	10%	\$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	\$59.062	\$47.827	\$47.627	81%	\$47.627	81%	\$47.627	81%
BENEFIT ASSESS. DISTRICT	\$17.100	\$0.000 (6)	\$0	\$0	0%	\$0	0%	\$0	0%
TOTAL	\$1,310.822	\$1,310.622	\$829.758 (4)	\$1,048.327	80%	\$833.307	64%	\$769.806	59%
OTHER LOCALLY FUNDED ACTIVITIES:									
PROP C (ARTWORK)	\$0.000	\$2.435	\$0.610	\$1.398	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. 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 118 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)

NOTE: EXPENDITURES ARE CUMULATIVE THROUGH JUNE 1998.



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



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

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%	\$458.982	41%	\$408.182	36%
FTA-SECTION 3 DEFERRED LOCAL SHARE	\$98.578	\$283.298	\$102.045	\$157.258	56%	\$114.746	41%	\$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	\$133.953	\$71.998	\$54.292	41%	\$54.292	41%	\$54.292	41%
FED ISTEA RSTP DEFERRED LOCAL SHARE	\$9.875	\$17.355	\$9.328	\$7.034	41%	\$7.034	41%	\$7.034	41%
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	\$14.695	\$10.537	\$10.537	72%	\$10.537	72%	\$10.537	72%
STATE CTIP	\$0.000	\$141.145	\$0.000	\$13.779	10%	\$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	\$792.131	\$113.726	\$124.404	16%	\$112.327	14%	\$112.327	14%
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	\$1,018.755	\$1,231.778	40%	\$975.905	32%	\$912.404	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 JUNE 1998.

ES-12

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Schedule

	Current Status	Change from Last Month
Current ROD	May 2000	-51 days
Design Progress	94.8%	+0.3%
Critical Path Float	0 days	35 days
Construction Progress	70.4%	+1.7%

Current Critical Path Analysis

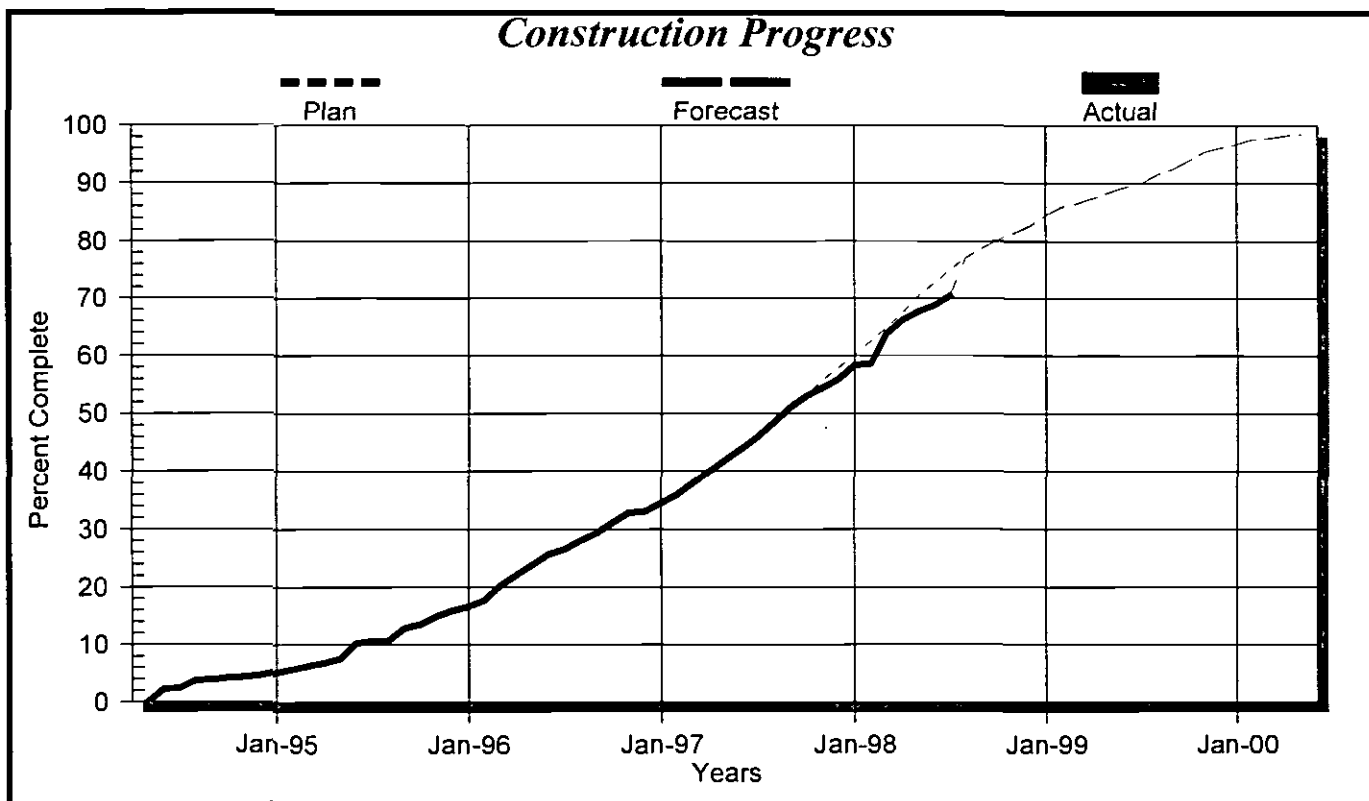
The July 1998 Project Master Schedule shows the project on schedule. Forecast Revenue Operation date is May 17, 2000. The project critical path runs through C0311 (Line Section under Santa Monica Mountains), C1610 (Trackwork Installation), B620 (Automatic Train Control), and Integration/Testing/Pre-Revenue Operations. Systems Integration Schedule was revised during this period. A schedule gain of 35 work days (51 calendar days) was accomplished by shortening train control integration tests, last five final system wide integration tests, and pre-revenue operations.

Focus on the project is shifting from excavation and concrete to more complex mechanical, electrical and systems work. To support the overall Program Schedule a plan was developed to gain a Beneficial Occupancy date for mechanical/electrical equipment. The first phase of the plan has been successfully completed with the H0631 (Traction Power System Installation) contractor mobilized into the three stations. Equipment required to provide permanent power to the facilities has been identified and its installation and testing will be closely coordinated in the next 120 days. 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 - July 1998



Construction Progress Analysis

The overall construction progress through July is 70.4% complete.

Contract C0301 (Hollywood/Highland Station) contractor continued to accelerate work to mitigate its own delays on west end of station. Negotiations with private developer and construction have no impact to station work. No impact to ROD.

Contract C0311 (Line Section from Universal City Station to Station 630+00) arch concrete is 59% and 72% complete in the AR and AL tunnels, respectively. Invert concrete is 72% complete for both the AR and AL tunnels. Trackwork turnover of tunnels south of La Brea Shafts is on schedule for August 17. All trackwork access dates are anticipated to be on schedule except for last section of AL tunnel, which shows a delay of 6 days. Work around studies are being reviewed. No impact to ROD.

Contract C0321 (Universal City Station) trackwork access to crossover area, Milestone 3, was provided to C1610 (Trackwork Installation). Milestone 10, access to traction power installation contractor, was also met on schedule. Submittals for emergency exit hatches at Universal City Station have been rejected pending evidence of satisfactory operation. Hatches manufactured by the same supplier, Star Iron Works, have now been successfully tested for opening force at C0301. Clarification of closing requirements are awaited from the Fire/Life Safety Committee via EMC before the submittal can be accepted. The contractor is responsible for any delay, since the hatches as originally submitted are known not to meet specified requirements.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Contract C0331 (North Hollywood Tunnel) contractor continues working 6-day workweek, multiple shifts. Remaining tunnel work for Milestones 2A and 3 completion is punch list and NCR resolution. Mid-vent shaft turnover to B620 (Automatic Train Control) is on schedule. No impact to ROD.

Contract C0351 (North Hollywood Station) contractor continues working a three-shift operation. Access Milestones 4, 5, 10 and 15 were met. The contractor is focusing on meeting upcoming milestones. No impact to ROD.

Contract C1610 (Trackwork Installation) contractor continues to work 12-hour days and 6-day week to mitigate lost time. A night shift was added to increase productivity. C0331 AR tunnel plinth concrete is 82% complete and AL is 70% complete. No impact to follow-on systems contracts or ROD.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Construction Safety Statistics

Project-to-Date-Rates	Current Status	Change from Last Month
Recordable Injury Rate		
National Average	10.6	
Project Rate (Cum.)	16.6	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 complete over 6,400,000 work hours.

METRO RED LINE Segment 3 North Hollywood

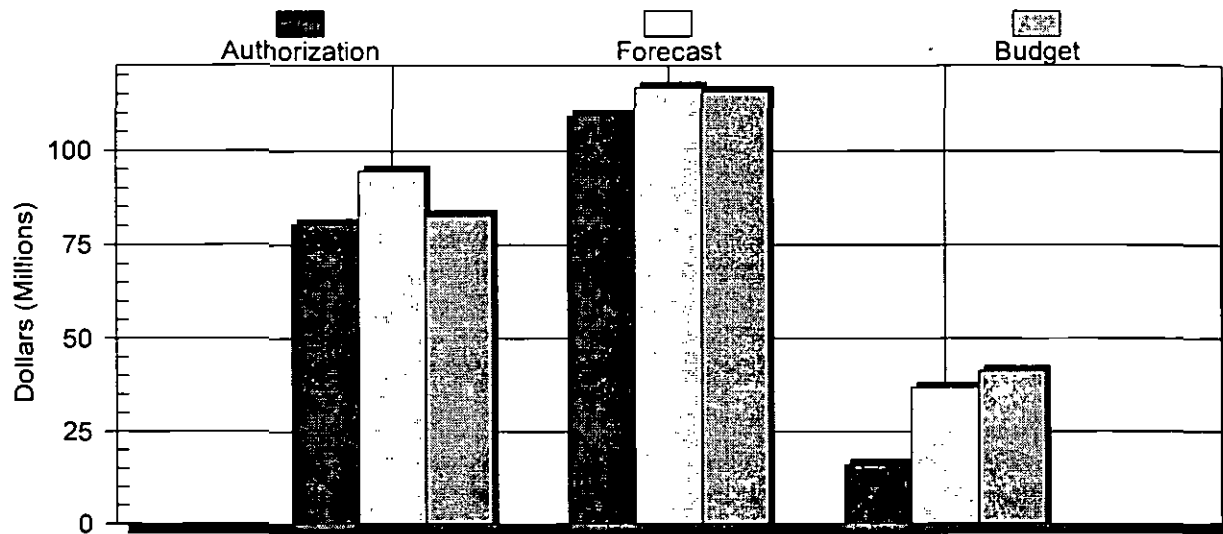
Monthly Project Status Report

Period Ending - July 1998



Consultant Cost Status

Professional Services



Authorization	Design	80.437	CM	109.329	Other	16.029
Forecast	Design	94.592	CM	116.803	Other	36.779
Budget	Design	82.657	CM	115.591	Other	41.226

Professional Services Cost Analysis

The authorization for the Design Professional Services, Construction Management and Consultant Professional Services did not change significantly this period.

The forecast for Design Professional Services increased to \$94.6 million to address the current CWO 72 exposure for Project Overhead Expense Rate (POER) costs through project completion. Upon completion of staff analysis and negotiations, this CWO will be presented to the MTA Board with a corresponding budget adjustment to address the current budget forecast variance.

Other Consultant Professional Services forecasts include costs for Configuration Management Services, Systems Engineering and Analysis, Rail Vehicle Procurement Services, Environmental Services, Legal Services, Construction Support Services, Labor Compliance and Project Management Assistance.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Management Issues

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 first quarter in 2000. Construction 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 excavation support systems adjacent to MTA facilities.

Status/Action

THC and MTA have entered into a memorandum of understanding for the joint development. It will be tracked as a separate project. MTA is in the process of identifying all prior charges that are eligible for reimbursement. The EMC prepared a DCN to delete 21 items from the original C0301 contract scope to be reimbursed by THC. The contractor has submitted a cost/schedule proposal and a change order will follow. A no cost CWO has been completed between THC and EMC for any design services needed in connection with this interface between MTA facilities and THC development. Design for the phase I of the BRS started and THC's shoring design criteria and geological report reviews are ongoing. Similar no cost CWOs are being developed with JMA, for project controls and construction management, and with TSP, for construction changes. THC has firmed up their construction schedule and has given MTA assurances that impact to the job site laydown area and station access will be minimized until January/February 1999. Both parties agreed to develop an integrated schedule to minimize potential impacts. MTA has provided THC with a list of activities that need to be integrated into their schedule.

Ongoing Item (Date initiated: March 1998)

PROJECT AGENCY COST FORECAST

Concern/Impact

At this time, the project forecast cost at completion has been updated for the Agency and will potentially exceed the budget by approximately \$30 million. This updated projection is based upon revised overhead calculations and staffing projections.

Status/Action

The project team is actively managing these potential cost impacts by focusing on reducing staffing charges allocated to the North Hollywood Project. Additionally, the MTA Project Management team is coordinating 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.

METRO RED LINE Segment 3 North Hollywood

Monthly Project Status Report

Period Ending - July 1998



Resolved Item (Date initiated: May 1998)
PROJECT ROD SLIPPAGE

Concern/Impact

The projection for achieving ROD in May 2000 has been impacted by arch concrete placement rate experienced within the Contract C0311 tunnels. The trackwork contract (C1610) installation will potentially be impacted. This will then have a subsequent affect on automatic train control (Contract B620) installation and testing, and on systems integration testing and startup.

Status/Action

Based on the implementation of changes to System Integrated Testing and Pre-Revenue Operations, the forecast ROD has improved 51 calendar days from last months forecast to the forecast ROD of May 17, 2000. In addition, the tunnel contract, C0311 has maintained its schedule over the last month.

Resolved Item (Date initiated: January 28, 1998)
CONTRACT B646 (FIRE & EMERGENCY MANAGEMENT SYSTEM) TECHNICAL UPDATE CHANGE

Concern/Impact

The change process for Technical Update Change Resolution (DCN #97-33, CN #66) has impacted the follow-on contractors and Project ROD. The delay is increasing the cost of construction at an approximate rate of \$60,000 per calendar day.

Status/Action

The contractor has started the engineering design on this technical update immediately after the CN-66 negotiation meeting. Change Notice 77.01 has been negotiated separating hardware and software delivery. The AFE associated with this CN is scheduled for approval at the August MTA Board meeting.